S. HRG. 101-289

NOMINATIONS OF BRIAN W. CLYMER, SHERRIE SANDY ROLLINS, SKIRMA ANNA KONDRATAS, JOHN C. WEICHER, AND QUINCY MELLON KROSBY

HEARING

BEFORE THE

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS UNITED STATES SENATE

ONE HUNDRED FIRST CONGRESS

FIRST SESSION

ON

THE NOMINATIONS OF

BRIAN W. CLYMER, OF PENNSYLVANIA, TO BE URBAN MASS TRANSPORTATION ADMINISTRATOR, VICE ALFRED A. DELLIBOVI, RESIGNED

SHERRIE SANDY ROLLINS, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF HOUSING AND URBAN DEVELOPMENT, VICE HARRY K. SCHWARTZ, RESIGNED

SKIRMA ANNA KONDRATAS, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF HOUSING AND URBAN DEVELOPMENT, VICE JACK R. STOKVIS, RESIGNED

JOHN C. WEICHER, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT SECRETARY OF HOUSING AND URBAN DEVELOPMENT, VICE KENNETH J. BEIRNE, RESIGNED

QUINCY MELLON KROSBY, OF NEW YORK, TO BE AN ASSISTANT SECRETARY OF COMMERCE, VICE G. PHILIP HUGHES, RESIGNED

SEPTEMBER 8, 1989

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HEARING ON NOMINATIONS

FRIDAY, SEPTEMBER 8, 1989

U.S. SENATE,
COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS,
Washington, DC.

The committee met at 2:02 p.m., in room SD-538 of the Dirksen Senate Office Building, Senator Donald W. Riegle (chairman of the committee) presiding.

Present: Senators Riegle, Graham, Heinz, D'Amato, Bond, and Kassebaum.

OPENING REMARKS OF CHAIRMAN RIEGLE

Chairman RIEGLE. The committee will come to order. We have a number of nominations to take up today.

At the request of Senator Heinz, we are going to deal with Mr. Brian Clymer first, and so, let me invite him to come to the witness table.

I see Senator Heinz is here, and we would be delighted to hear from our friend and colleague.

OPENING STATEMENT OF SENATOR HEINZ

Senator HEINZ. Mr. Chairman, thank you very much. You are very kind indeed to permit me to introduce Brian Clymer ahead of all of the other people who are very anxious to have their hearings and their mark-ups and get officially to work.

I thank all involved who were able to accommodate me.

But, I certainly welcome this opportunity to introduce Brian Clymer to our committee. He is someone that I think deserves our strong support. I unreservedly support him for Administrator of the Urban Mass Transit Administration. Mr. Chairman, you have been a tremendous supporter of mass transit and someone whose knowledge about mass transit is as good as anybody I know in the Senate.

We have a transportation system in this country, whether it's roads, rails, bridges or mass transit, that is crumbling before our eyes. Therefore, it is imperative that we address the problem not only because of progress, such as economic development, and jobs depend on getting goods to market and people to work, but because we need mass transit in order to be more energy efficient and to enable people who have cars to be able to get to work with less traffic.

Brian Clymer, who has an outstanding background in mass transit, I think is the man to help us do that job.

Brian is here with his wife, his brother, who is bigger than he is, and his mother and dad, who, I am sure, he will introduce in a moment. I first became acquainted with him when he took on the rather daunting task of trying to rebuild the largest mass transit system in our State, SEPTA, in the Greater Philadelphia area.

He joined the board back in 1980. Most importantly and significantly, he is a member of what they call the budget and audit committee, since 1981. He is a certified public accountant. Of greater note, he built a firm up from scratch into a major regional economic enterprise.

Prior to his arrival, the deteriorization of SEPTA was visible—you could see it taking place before your eyes. The system now has a budget of about $550 million and $150 million in capital, and that has been put to very good affect. There has been substantial progress made in rehabilitating our system. It is in no small part due to Brian Clymer's leadership.

Now, we are all aware of the budget constraints on Federal support for mass transit. Notwithstanding those constraints, the Administrator of UMTA oversees a $3 billion annual budget, and it requires, therefore, somebody who is intimately familiar with financial flows, who knows how to get the most from limited funds and have our mass transit authorities do so and to devise improved financing solutions to some of our daily fiscal crises. As one who spent considerable time addressing those issues in detail at the local level, I think Brian is uniquely well-qualified to bring really hands-on experience from the local level and the State level, to the Federal level. I think it is experience we need.

I mentioned his background in public accounting. He has 20 years of experence in accounting. He founded Clymer, Merves & Amon, certified public accountants. They became not only a leading regional enterprise, but one of their specialties is municipal finance and debt issues which are, of course, a significant source of funds for mass transit.

Finally, I apart from the fact that Brian is not merely well-qualified but exceptionally well-qualified for the post to which President Bush has nominated him, I am obviously very pleased that he is a life-long Pennsylvanian. He attended Lehigh University. He has lived in Pennsylvania most of his life but had spent some time out of our State. Brian was an exchange student in Germany at one point. So, he has been around.

Mr. Chairman, we are very fortunate indeed to have a man of Brian's competence and capability nominated for this position, and I hope for his speedy confirmation.

Chairman RIEGLE. Senator Heinz, I am impressed by the strength of your feeling and the statement you have made about this nominee, that you have this knowledge about, and so I know all of the members of the committee will be equally moved by the comments that you have made.

I know you have a plane to catch. I don't want to ask you to stay any longer, unless you wish to stay.

Senator HEINZ. Mr. Chairman, let me thank you and other members of the committee for scheduling Brian's hearing, as well as the hearings of the other nominees today. It is obviously of great im-

portance not just for Brian, but for all of us and I thank you very much.

Chairman RIEGLE. You are more than welcome.

Let me indicate for the record that we are going to be maintaining a quorum which will enable members to vote during the day. I would suggest, Senator Heinz, you may wish to arrange to be recorded on the various nominees that we will be acting upon later in the afternoon prior to your leaving.

I am going to make another set of comments with respect to this nominee. But let me just inquire, Senator Bond, do you have a comment you want to make?

OPENING REMARKS OF SENATOR BOND

Senator BOND. Mr. Chairman, I join with my colleague from Pennsylvania as expressing our sincere appreciation to you for holding this hearing. These are very important responsibilities which are pending here and we have outstanding candidates for those posts.

I happen to know Mr. Clymer, Mrs. Rollins, and can certainly speak for them personally. And I have been impressed with the resumes of the others.

I, too, am going to have to go on to other meetings and will not be able to stay for the hearings. But I think we are very fortunate to have people of this caliber who have been nominated to serve in this administration.

And again, I express my appreciation to you for holding these hearings so that we can move forward with these important nominations.

Chairman RIEGLE. Senator Graham, do you have an opening comment?

OPENING REMARKS OF SENATOR GRAHAM

Senator GRAHAM. Thank you, Mr. Chairman.

I would just say that I had an opportunity to meet Mr. Clymer recently. I was very impressed with his résumé, what he has done, and the leadership that he will be providing to this important Federal agency. And I am pleased that you are holding the hearings so quickly, so that we will be in a position to expedite their full employment.

OPENING STATEMENT OF CHAIRMAN RIEGLE

Chairman RIEGLE. I might just say, I think the nominees know this committee has been under extraordinary pressure with the savings and loan legislation to get that legislation done on the basis of a timetable of great urgency and at the request of the administration. So we put virtually everything else aside to get that done by a set date, and were able to accomplish that goal.

But, as a result, there have been a number of things that had to wait, including some of the nominees that we are dealing with today. So, we are going to move on through this list.

I want to join others in welcoming you before our committee today. I think public service is in many respects one of the highest callings in our society and increasingly one of the most dif-

ficult. And willing to serve the public—the public interest is an important step to take.

And for people of established reputation and success to leave other endeavors to come and to take on public responsibility is a very important personal contribution of effect and it is much appreciated. A lot of hard work to do.

The committee wants to work with you and the others that we will be hearing today. Before we start, I have a statement from Senator D'Amato for the record.

STATEMENT OF SENATOR ALFONSE D'AMATO

Senator D'AMATO. Mr. Chairman, thank you for holding this hearing today. I have already had the opportunity to meet Mr. Clymer and look forward to working together. Mr. Clymer's prior transit experience—running the Southeast Pennsylvania, Transit Authority [SEPTA]—will be a great asset to him when he assumes the duties of UMTA administrator. There is a lot of work to be done. Moving ahead on this nomination allows the administration and Congress to reaffirm their commitment to public transit.

Safe, affordable, and dependable mass transportation is essential to the Nation. In my own State, the condition of the New York City mass transit system is gravely serious. This past April, I called on UMTA to investigate the unsafe conditions of that system. UMTA agreed to undertake a comprehensive and thorough investigation. Unfortunately, since that time virtually no progress has been made.

Yesterday, I added an amendment to the DOT appropriations bill that requires DOT to perform this vital investigation. My amendment requires DOT to perform a thorough safety investigation of the NY Metropolitan Transportation Authority [MTA] including the subways, buses, and commuter rail systems.

My hope is that, after his confirmation, Mr. Clymer will move swiftly after his confirmation to carry out this commitment. We cannot wait for more deaths to occur before UMTA takes action. If the Federal Government is going to invest billions of dollars in transit, it must be able to assure that its investment is providing safe transit facilities for the public.

Mr. Chairman, with respect to the NY MTA, we are not talking about a system with isolated incidents. We are talking about a system that has been allowed to crumble under poor management. I cannot overstate the urgency of this investigation as it relates to the millions of commuters and thousands of transit workers who place their personal safety in jeopardy each day using this system.

Under Mr. Clymer's leadership I look forward to UMTA undertaking this very serious investigation.

Thank you, Mr. Chairman.

Chairman RIEGLE. Now, during the last 8 years, UMTA has been the repeated target of budget cuts, and even this year's budget request, the Administration proposed a 52-percent reduction, as I am sure you know, in mass transit funding. Although Congress has rejected most of these cuts, mass transit funding has been reduced at a time when demand for such funds has been increasing dramatically.

So, like many others in Federal Government, you will have the immediate problem of having to try to accomplish more with less.

[Nominee sworn.]

Chairman RIEGLE. You are invited to make any initial comment that you would like to here.

STATEMENT OF BRIAN W. CLYMER, OF PENNSYLVANIA, TO BE URBAN MASS TRANSPORTATION ADMINISTRATOR, VICE ALFRED A. DELLIBOVI, RESIGNED

Mr. CLYMER. Thank you very much, Mr. Chairman.

Let me take this opportunity to introduce my parents, Howard and Jane Clymer, right here.

Chairman RIEGLE. We are delighted to have you with us.

Mr. CLYMER. My wife, Patricia, and my brother, Jim Clymer, sitting right next to her, who have come down to offer some moral support.

Chairman RIEGLE. Very good. Thank you.

Mr. CLYMER. If I may, Mr. Chairman, I can paraphrase my comments and submit the rest of my comments for the record.

Chairman RIEGLE. We will make your full statement a part of the record.

Mr. CLYMER. Mr. Chairman and members of the committee, I am honored to have this opportunity to appear before you here today. I am grateful both to the President and Secretary Skinner for the confidence they have shown in me by recommending me for this position.

My experience, Mr. Chairman, has provided me with a clear picture of the issues and problems facing the transit industry, and if confirmed by the Senate, it should prove invaluable to me as Administrator of UMTA. I have seen the day-to-day matters affecting transit at the local level. I think that perspective will serve me well at the Federal level.

This is a time when public transit agencies of all sizes must have a firmer grasp of their finances than ever before. They are also reaping generous dividends by working more closely with the private sector in the area of financing and entrepreneurial participation in public transportation.

If I become UMTA Administrator, I intend to emphasize the importance of these financial principles and the necessity for strategic planning in my dealings with the transit community.

Secretary Skinner, when he was chairman of the Chicago Regional Transportation Authority, developed a strategic plan that set forth a framework for dealing with local transit issues on a comprehensive basis. That plan become an extremely useful model for SEPTA and other transit agencies to follow, and it is one of the things I intend to encourage in the transit community.

I've been impressed by the transit industry's response to budget constraints at the Federal level. I am sure that there are a number of strategic financial, management and planning concepts that can be introduced at the local level, and I will do my best to lower any barriers to such activities at the Federal level, with your support.

Another key matter under my watch, if I am confirmed, will be the development of transit reauthorization legislation, and I look forward to working with you, the members of this committee, on that important endeavor.

As you know, the current authorizations expire at the end of fiscal year 1991, and we will need to develop new proposals for the 1990s. In this connection, I think it will be useful to utilize the results of the national transportation plan now being developed by Secretary Skinner.

Among other things, this effort will involve an outreach to the various affected transportation industries, including transit, and should provide us with useful data to help us develop a legislative proposal that addresses the real needs of the transit industry in the 1990's.

Mr. Chairman, transit will play an important role in the next decade. Congress is now considering two major pieces of legislation that should have significant impacts on the transit community, the American Disabilities Act and the Clean Air Act.

The transit industry will be facing new challenges and must be prepared to be innovative and cost effective in meeting those challenges. I look forward to addressing the significant issues and problems concerning transit in the coming period.

That concludes my remarks, and I would be happy to answer any questions.

[The complete statement of Brian W. Clymer follows:]

STATEMENT OF BRIAN W. CLYMER
NOMINEE FOR ADMINISTRATOR OF THE
URBAN MASS TRANSPORTATION ADMINISTRATION
BEFORE THE SENATE COMMITTEE ON
BANKING, HOUSING, AND URBAN AFFAIRS

UNITED STATES SENATE

SEPTEMBER 8, 1989

Mr. Chairman, members of the Committee, I am honored to have this opportunity to appear before you today to discuss the President's nomination of me to be the Administrator of the Urban Mass Transportation Administration (UMTA). I am grateful both to the President and Secretary Skinner for the confidence they have shown in me by recommending me for this position.

While my background has been in the field of public accounting, I do have considerable experience in the public transportation area from my years serving on the Board of Directors of the Southeastern Pennsylvania Transportation Authority (SEPTA). I've been on SEPTA's Board since 1980. I've been a member of the Budget and Audit Committee since 1981, and Chairman since 1983. This Committee oversees SEPTA's operating budget of approximately $550 million and a capital budget of about $150 million.

In addition, I'm a member and former Chairman of SEPTA's Pension Committee, a member of the Transit Committee, former

Chairman of the Professional Services Committee, and a member of the Committees on privatization, long range planning, building and special matters.

Mr. Chairman, this experience has provided me with a clear picture of the issues and problems facing the transit industry and, if confirmed by the Senate, it should prove invaluable to me as Administrator of UMTA. I have seen the day-to-day matters affecting transit at the local level, and I think that perspective will serve me well at the Federal level.

In addition, my almost twenty years of experience in public accounting have proven to be extremely helpful in addressing transit matters involving both the public and private sectors. I founded Clymer, Merves, & Amon, Certified Public Accountants, in 1982, and developed the firm into a leading regional servicer of both public and private concerns.

One of my firm's specialties has been municipal finance, especially in the area of municipal debt issues. My background in this field is particularly valuable in a period when budgetary problems at all levels of government require greater innovation and community-wide coordination and participation than ever before.

Governmental accounting at the municipal level has come into its own only during the past half decade. Communities of all

sizes are learning, some of them the hard way, that accurate financial statements are of greater importance to them than ever before. This is especially true in the field of transit, which faces critical economic, operational and policy challenges.

This is a time when public transit agencies of all sizes must have a firmer grasp of their finances than ever before. They are also reaping generous dividends by working more closely with the private sector in the areas of financing and entrepreneurial participation in public transportation.

If I become UMTA Administrator, I intend to emphasize the importance of these financial principles, and the necessity for strategic planning, in my dealings with the transit community. Secretary Skinner, when he was Chairman of the Chicago Regional Transportation Authority, developed a strategic plan that set forth a framework for dealing with local transit issues on a comprehensive basis. That plan became an extremely useful model for SEPTA and other transit agencies to follow, and it is one of the things that I intend to encourage in the transit community.

I have been impressed by the transit industry's response to budget constraints at the Federal level, and I am sure that there are a number of strategic financial, management, and planning concepts that can be introduced at the local level, and I will do my best to lower any barriers to such activities at the Federal level.

Another key matter under my watch, if I am confirmed, Mr. Chairman, will be the development of the transit program's reauthorization legislation, and I look forward to working with the members of this Committee on that important endeavor. As you know, the current authorizations expire at the end of fiscal year 1991, and we will need to develop new proposals for the 1990s. In this connection I think it will be useful to utilize the results of the national transportation plan now being developed by Secretary Skinner. Among other things, this effort will involve an outreach to the various affected transportation industries, including transit, and should provide us with useful data to help us develop a legislative proposal that addresses the real needs of the transit industry in the 1990s.

Those of us in the transit industry, whether at the Federal, State or local level, have to be aware of and responsive to changes in the work force and commuting patterns of Americans if we are to serve their transit needs. For example, over the past decade there has been a dramatic increase in the number of workers, and therefore in the number of work trips. What is most significant, however, is that the new jobs have tended to locate in the suburbs, making suburb-to-suburb the dominant commuting pattern. We providers of transit must be creative and innovative in responding to those new patterns as we enter the 1990s.

Mr. Chairman, transit will play an important role in that next decade. Congress is now considering two major pieces of legislation that could have significant impacts on the transit community, the Americans with Disabilities Act and the Clean Air Act. The transit industry will be facing new challenges and must be prepared to be innovative and cost-effective in meeting those challenges.

Mr. Chairman, I look forward to addressing the significant issues and problems concerning transit in the coming period. That concludes my remarks, and I would be glad to answer any questions you may have.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: CLYMER (LAST) BRIAN (FIRST) W. (OTHER)

Position to which nominated: Administrator - UMTA Date of nomination: June 16, 1989

Date of birth: 16 (DAY) 5 (MONTH) 47 (YEAR) Place of birth: Camden, New Jersey

Marital status: Married Full name of spouse: Patricia Long Clymer

Name and ages of children: Kathleen 11
Richard 9

Education:

Institution	Dates attended	Degrees received	Dates of degrees
	9/65-5/67	B.S. Business	
Lehigh University	9/68-9/69	& Economics	01/70
Mitchell College	9/67-6/68	A.A.	06/68
Siegburg Gymnasium	9/64-6/65	None	
Hazleton Senior High	9/61-6/64	Diploma	06/64

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

Eagle Scout: God and Country Award

National Honor Society

National Athletic Honor Society

Mitchell College Associate of Arts with Honor

International Christian Youth Exchange Student to Germany, 1964-1965

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Office held (if any)	Dates
Pennsylvania Institute of CPA's	Local Government Committee	11/78 to Present
American Institute of CPA's		10/79 to Present
Security First Bank	Director	08/88 to Present
Acappella, LTD	Director	02/85 to Present
Government Finance Officers Association		1981 to Present
Advanced Technology Center of Southeastern Pennsylvania	Business Services Advisory Committee	1985 to Present
Delaware County Chamber of Commerce	Municipal Government Committee	09/88 to Present

Employment record: List below all positions held since college, including the title or description of job, name of employment, location of work, and dates of inclusive employment.

Clymer Merves & Amon CPA's - Media, Pennsylvania

(Partner - 07/82 to Present)

Merves & Company CPA's - Philadelphia, Pennsylvania

(Partner - 01/79 to 07/82)

(Staff Accountant - 11/69 to 01/79)

Government experience: List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part-time service or positions.

Southeastern Pennsylvania Transportation Authority (SEPTA)

(01/81 to Present)

(Currently Vice Chairman)

SCHEDULE C ATTACHED

Published writings: List the titles, publishers and dates of books, articles, reports or other published materials you have written.

NONE

Political affiliations and activities: List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

Swarthmore Republican Committee

Treasurer - Weldon for Congress 1988

Weldon for Congress 1986

Weldon for Congress 1984

(SEE CONTINUATION SHEET)

POLITICAL AFFILIATIONS AND ACTIVITIES CONTINUATION

George Bush for President

Treasurer - Committee to elect Charles C. Keeler
Court of Common Pleas 1982

- Committee to elect Anthony R. Semeraro
Court of Common Pleas 1982

- Committee to elect Frank T. Hazel
Court of Common Pleas 1982

Treasurer - Rochford for Congress Committee 1980

3 (CONTINUED)

GENERAL ACCOUNTING AND CONSULTING

Marple Township, Delaware County, Pennsylvania

Aston Township, Delaware County, Pennsylvania

Middletown Township, Delaware County, Pennsylvania

New Castle County, Delaware

Delaware County Authority, Pennsylvania

Delaware County Housing Authority, Pennsylvania

Delaware County Industrial Development Authority

Delaware County Partnership for Economic Development

Delaware County Economic Development Loan Corporation

Delaware County Port Corporation

SPECIALIZED CONSULTING SERVICES

ARBITRAGE REBATE CALCULATIONS

City of Bardstown, Kentucky
Industrial Building Revenue Bonds, Series of 1987

Montgomery County Higher Education and Health Authority
Hospital Revenue Bonds, Series of 1986

Delaware County Authority
Hospital Revenue Bonds, Series of 1987

Delaware County Authority
College Revenue Bonds, Series of 1987

City of Bardstown, Kentucky
Industrial Building Revenue Bonds, Series of 1986

SCHEDULE C

SPECIALIZED CONSULTING SERVICES

VERIFICATIONS

City of Fairmont, West Virginia
Waterworks Refunding Revenue Bonds, Series 1987

County of Schuylkill
General Obligation Bonds Series A of 1987

Delaware County Authority
Hospital Revenue Bonds Series A of 1987 and Series B of 1987
(Mercy Catholic Medical Center of Southeastern Pennsylvania)

Springfield School District
General Obligation Bonds, Series of 1987

Borough of Millersville
General Obligation Bonds, Series of 1987

Montrose Municipal Authority
Guaranteed Sewer Revenue Bonds, Series of 1987

Township of Northampton
General Obligations Bonds, Series of 1987

Borough of West Chester
Guaranteed Sewer Revenue Bonds, Series of 1987

Waynesboro Area School District
General Obligation Bonds, Series of 1987

Township of Springfield
General Obligations Bonds, Series of 1987

City of Lancaster Sewer Authority
Sewer Revenue Bonds, Series of 1987

Gettysburg Municipal Authority
County Guaranteed Hospital Revenue Bonds, Series of 1987

Towanda Municipal Authority
Guaranteed Water Revenue Bonds, Series of 1987

Philadelphia Authority for Industrial Development
First Mortgage Revenue Bonds, Series of 1987
Lutheran Retirement Homes, Inc. (Paul's Run Lifecare Community)

City of Bethlehem
General Obligation Bonds, Series of 1987

Delaware County Authority
Hospital Revenue Bonds, Series of 1987
(Riddle Memorial Hospital)

School District of Cheltenham Township
General Obligation Bonds, Series of 1987

Redevelopment Authority of the City of Harrisburg
Capital Improvement Revenue Bonds, Series A of 1987

City of Harrisburg
General Obligation Bonds Escrow Restructuring

City of Fairmont, West Virginia
Sewerage System Refunding Revenue Capital Appreciation Bonds,
Series of 1988

Swarthmore Borough Authority
Swarthmore College Revenue Bonds, Series of 1988

City of Atlantic City
General Obligation Refunding Bonds, Series D of 1988

Philadelphia Authority for Industrial Development
First Mortgage Revenue Bonds, Series of 1988
(Evangelical Manor)

Delaware Economic Development Authority
(TriMark Publishing Company, Inc. Project)
1988 Refunding

Lancaster Higher Education Authority, City of Lancaster, Pa.
College Revenue Bonds, Series of 1988
(Franklin and Marshall College Project)

Board of Education of the Township of Egg Harbor
General Obligation Refunding Bonds, Series of 1988

Reading Parking Authority
Guaranteed Authority Revenue Bonds, Series of 1988

County of Montgomery
General Obligation Refunding Bonds, Series A of 1988
General Obligation Bonds, Series B of 1988

Montgomery Township Municipal Sewer Authority
Guaranteed Sewer Revenue Bonds, Series of 1988

Oxford Area School District
General Obligation Bonds, Series of 1988

SCHEDULE C

Board of Education of the Township of Vorhees
General Obligation Refunding Bonds, Series of 1988

Delaware County Authority
College Revenue Bonds Refunding, Series of 1988
(Bryn Mawr College)

Borough of Middlesex, New Jersey
General Obligation General Improvement Bonds, Series of 1988

Northampton County Industrial Development Authority
Commerical Development Gross Revenue Bonds, Series of 1988

TRUSTEE REVIEWS

Kentucky Housing Corporation
Single Family Mortgage Revenue Bonds, Series of 1980

City and County of Denver, Colorado
Single Family Mortgage Revenue Bonds, Series A of 1978

Brevard County (Florida) Housing Finance Authority
Single Family Mortgage Revenue Bonds, Series of 1980
Series of 1983 A
Series of 1983 B

Redevelopment Agency of the City of San Bernardino
Single Family Residential Mortgage Revenue Bonds,
Series A of 1979

Redevelopment Agency of the City of San Pablo,
(San Pablo, California)
Single Family Mortgage Revenue Bonds, Series A of 1979

City of Valdez, Alaska
Home Mortgage Revenue Bonds, Series of 1979

City of Inglewood, California
Single Family Mortgage Revenue Bonds

Redevelopment Agency of the City of San Pablo
(San Pablo, California)
Residential Mortgage Revenue Bonds, Series A of 1978
(FHA Insured or VA Guaranteed Mortgage Loans)

The City and Borough of Juneau, Alaska,
Home Mortgage Revenue Bonds, Series of 1979

SCHEDULE C

Redevelopment Agency of the City of Pomona, California
Residential Mortgage Revenue Bonds, Series B of 1980

Redevelopment Agency of the City of Pomona, California
Residential Mortgage Revenue Bonds, Series A of 1980

City of Montclair Redevelopment Agency, California
Residential Mortgage Revenue Bonds, Series of 1979

Galveston Housing Finance Corporation
Single Family Mortgage Revenue Bonds, Series of 1980

City of Cypress, Orange County, California
Single Family Residential Mortgage Revenue Bonds, Series of 1980

SCHEDULE C

Political contributions: Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify the specific amounts, dates, and names of the recipients.

Schedule Attached

Qualifications: State fully your qualifications to serve in the position to which you have been named. (attach sheet)

Statement Attached

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

YES

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

I have no specific plans for any employment after Government service.

3. Has anybody made you a commitment to a job after you leave government?

NO

4. Do you expect to serve the full term for which you have been appointed?

YES

CLYMER NERVES & AMON
BRIAN W. CLYMER
INKIND CONTRIBUTIONS FOR FEC COMPILANCE
THE WELDON FOR CONGRESS COMMITTEE

		CMA	BWC
1/25/84 - 3/21/84		$ -0-	$ -0-
3/21/84 - 3/31/84		-0-	-0-
4/1/84 - 6/30/84	April - June	-0-	3,420.00
7/1/84 - 9/30/84	July - September	4,633.00	-0-
10/1/84 - 10/17/84			-0-
10/18/84 - 11/26/84	October, November	1,725.00	-0-
11/27/84 - 12/31/84	December	4,725.00	-0-
1/1/85 - 6/30/85			-0-
7/1/85 - 12/31/85	July - December	2,534.00	-0-
1/1/86 - 3/31/86			-0-
4/1/86 - 4/30/86			-0-
5/1/86 - 6/30/86			-0-
7/1/86 - 9/30/86	July, August		9,937.00
10/1/86 - 10/15/86			
10/16/86 - 11/24/86	September, October		12,117.00
11/25/86 - 12/31/86	November, December		9,729.75
1/1/87 - 6/30/87	January - June		9,504.75
7/1/87 - 12/31/87	July - December		6,753.25
1/1/88 - 4/6/88	January - March		7,097.25
4/7/88 - 6/30/88	April - June		4,388.25
7/1/88 - 9/30/88	July, August		7,363.13
10/1/88 - 10/19/88			
10/20/88 - 10/28/88	September, October		8,347.50
10/29/88 - 12/31/88	November, December		3,838.75

CLYMER MEEVES & ANON
BRIAN W. CLYMER
POLITICAL CONTRIBUTIONS FROM 1982 TO 1988

		Contributions	Advertisements
1982		$-0-	$-0-
1983			
2/17/83	Committee for Matt Ryan	$ 50.00	
4/26/83	Springfield Republican	70.00	
4/26/83	Delaware County Republican Finance Committee	125.00	
7/26/83	Delaware County Republican Committee	200.00	
10/21/83	PROPAC	100.00	
10/25/83	Delaware County Republican Committee	250.00	
		$795.00	$-0-
1984			
1/09/84	PROPAC	$ 250.00	
2/15/84	Republican Party Marple		$ 50.00
2/15/84	Republican Party Marple	100.00	
3/24/84	Haverford Township Republican Party		50.00
3/05/84	Springfield Township Republican Party	111.00	
5/23/84	Committee to Reelect Arty	50.00	
7/31/84	Delaware County Republican Finance Committee	200.00	
8/16/84	Springfield Republican Party	200.00	
9/24/84	Delaware County Republican Finance Committee	250.00	
		$1,161.00	$100.00

CLYMER MEEVES & ANON
BRIAN W. CLYMER
POLITICAL CONTRIBUTIONS FROM 1982 TO 1988

		Contributions	Advertisements
1985			
1/29/85	Republican Party/Marple		$100.00
1/29/85	Republican Party/Marple	$ 10.00	
1/29/85	Republican Party/Marple	200.00	
3/29/85	Committee to Reelect J. Scanlon	100.00	
4/03/85	Haverford Township Republican	50.00	
4/15/85	Citizens For Hayward	300.00	
5/07/85	Delaware County Republican Finance Committee	500.00	
5/07/85	Springfield Republican Party	74.00	
5/07/85	Committee For Fred Moran	50.00	
6/07/85	Committee for Arlen Specter	250.00	
6/11/85	Committee to Reelect Catania	200.00	
8/08/85	Swarthmore Republican Club	100.00	
9/13/85	Springfield Republican Party	200.00	
10/21/85	Delaware County Republican Finance Committee	250.00	
		$2,284.00	$100.00

CLYMER REEVES & AMON
BRIAN W. CLYMER
POLITICAL CONTRIBUTIONS FROM 1982 TO 1988

		Contributions	Advertisements
1986			
May	Delaware County Republican Party	$ 500.00	
July	Committee to Elect D Jones	200.00	
July	Scranton for Governor	250.00	
Sept.	Springfield Republican Party	200.00	
Nov.	Committee to Elect Jones	200.00	____
		$1,350.00	$-0-
1987			
1/09/87	Marple Republican Party	$ 350.00	
1/09/87	Wilt Bunce Committee	50.00	
2/09/87	Delaware County Republican Party	1,000.00	
2/23/87	Republican State Committee	250.00	
3/02/87	Ridley Township Republican Party	70.00	
3/25/87	Springfield Republican Party	200.00	
4/20/87	District Justice	50.00	
5/11/87	Delaware County Republican Finance Committee	500.00	
7/28/87	Springfield Republican Party	250.00	
9/15/87	Senate Republican Campaign	250.00	
10/19/98	Delaware County Republican Finance Committee	125.00	
11/06/87	George Bush for President	500.00	
11/17/87	Ridley Township Republican Party	160.00	____
		$3,755.00	$-0-

CLYMER MEEVES & AMON
BRIAN W. CLYMER
POLITICAL CONTRIBUTIONS FROM 1982 TO 1988

		Contributions	Advertisements
1988			
1/14/88	New Marple Republican Party	$ 160.00	
1/14/88	New Marple Republican Party		$100.00
2/01/88	Delaware County Republican Party	1,000.00	
2/09/88	Haverford Republican Party		150.00
3/04/88	Committee to Elect Matthew Ryan	125.00	
3/19/88	Bucks County Republican Party	100.00	
3/30/88	Committee to Elect Judge McEwen	250.00	
5/13/88	Friends of Joe Loeper	250.00	
7/07/88	Ridley Republican Party	80.00	
9/15/88	Aston Republicans	105.00	
9/15/88	Aston Republicans		110.00
10/14/88	Ridley Republicans	160.00	
10/14/88	Marple Republican Party		100.00
12/08/88	Delaware County Republican Party	1,000.00	
12/08/88	Swarthmore Republican Party	200.00	
		$3,430.00	$460.00

BRIAN W. CLYMER
Qualifications for position of UMTA Administrator

I believe I will bring to this position an unusual combination of skills and experience which are a good fit for the present needs of the agency and the transit industry.

This combination includes a keen understanding of the transit industry and the problems it faces, in-depth knowledge and experience in financial management, and well-developed skills in outreach, advocacy, and human relations.

I've served on the Board of Directors of the Southeastern Pennsylvania Transportation Authority (SEPTA) since 1980. I've been a member of the Budget and Audit Committee since 1981 and chairman since 1983. This committee oversees SEPTA's operating budget of approximately $550 million and a capital budget of about $150 million.

I am a member and former chairman of SEPTA's Pension Committee, a member of the Transit Committee, former chairman of the Professional Services Committee, and a member of the committees on privatization, long range planning, building and special matters.

Through this experience, I've developed an excellent grasp of the major challenges facing mass transit, particularly as regards policy and financial matters. In addition, my service on the SEPTA board has provided me a close-in view of operations.

In all of these areas, my almost twenty years of experience in public accounting have proven to be extremely helpful in addressing transit matters involving both the public and private sectors. I founded Clymer Merves & Amon Certified Public Accountants in 1982 and developed the firm into a leading regional servicer of both public and private concerns.

One of my firm's specialties has been municipal finance, especially in the area of municipal debt issues. My experience in this field is particularly valuable in a period when budgetary problems at all levels of government require greater innovation and community-wide coordination and participation than ever before.

A second focus of my accounting firm is entrepreneurial ventures. In one instance, we played the central role in the founding of a commercial bank. We navigated the institution through the raising of start-up capital, worked with key players on putting sound financial packages together, and helped recruit both management and investors for the enterprise.

In my work with such entrepreneurial ventures, I have shown myself to be adept at effectively combining ideas into a coherent package, selling the proposal, and staying with it until it is up and running.

I am honored to have the respect of my peers in the accounting profession, as well as that of the business and transit communities.

I have been a member of the Pennsylvania Insititute of Certified Public Accountants Committee on Local Government Auditing and Accounting since 1979. I have twice been chairman of the organization's annual Local Government Conference, and I have been a frequent speaker on issues affecting both local government financial management and accounting in general.

Governmental accounting at the municipal level has come into its own only during the past half decade. Communities of all sizes are learning, some of them the hard way, that accurate financial statements are of greater importance than ever to them. This is especially true in the field of transit, which faces critical economic, operational and policy challenges.

As I stated at the outset, I believe I am well-equipped for the position of UMTA Administrator by my combination of professional skills, public transit oversight experience, and human relationship abilities. This last area is, I believe, of particular importance to the position of UMTA Administrator, where communication skills and persuasive ability are so often required.

This is a time when public transit agencies of all sizes must have a firmer grasp of their finances than ever before. They are also reaping generous dividends by working more closely with the private sector in the areas of financing and entreprenerial participation in public transportation.

We are also in a time when the federal government's investment in public mass transit must be leveraged to the greatest extent possible. With my determination to see that this is done, and the combination of skills that I've outlined above, I believe I am well-qualified for the position of UMTA Administrator.

# # # #

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

NONE

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

SCHEDULE D ATTACHED PER CONFLICT OF INTEREST STATEMENT TO SEPTA AND INCLUDING SEPTA.

3. Describe any business relationship, dealing or financial transaction (other than tax-paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

NONE

BRIAN W. CLYMER
POTENTIAL CONFLICT OF INTEREST

Petron Oil Corporation
180 Gordon Drive - Suite 103
Lionville, Pennsylvania 19353
#(215) 524-1700
Charles F. Hurchalla, President

Pennoni Associates, Inc.
1600 Callowhill Street
Philadelphia, Pennsylvania 19130
#(215) 561-0460
C. R. Pennoni, President

SAB Engineering & Construction Company, Inc.
464 South Old Middletown Road
Media, Pennsylvania 19063
#(215) 565-3327
Ashok K. Kheny, President

Railway Systems Design, Inc.
464 South Old Middletown Road
Media, Pennsylvania 19063
#(215) 565-3327
Ashok K. Kheny, President

Bergwall Video Productions, Inc.
P.O. Box 922
Media, Pennsylvania, 19063
#(215) 499-7439
Bruce A. Bergwall, President

Southeastern Pennsylvania Transportation Authority
714 Market Street
The Sovereign Building
Philadelphia, Pennsylvania 19106
#(215) 574-7300
J. Clayton Undercofler

SCHEDULE D

4. List any lobbying activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

NONE

5. Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to the above items.

I will remedy any potential conflict of interest as determined by the Department of Transportation's Designated Agency Ethics official or the Director, Office of Government Ethics.

Civil, criminal and investigatory actions:

1. Give the full details of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

FEC Notification Letter dated February 16, 1988 regarding: MUR 2579 A complaint was filed by Mr. David E. Landau, the political opponent of Congressman Curt Weldon, alleging violations regarding independent expenditures and limits on contributions by individuals by the Committee and myself, as Treasurer. On April 12, 1988, the Commission dismissed the complaint finding no basis for the alleged violation.

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

NONE

BRIAN W. CLYMER
ADMINISTRATOR-DESIGNATE, UMTA
CONFIRMATION HEARING

Questions and Answers for the Record

SENATOR CRANSTON. The President's budget for FY 1989 proposed a 52 percent reduction of mass transit funding from the 1989 level. As Administrator of UMTA, will you support further cuts or be an advocate for mass transit funding?

MR. CLYMER. As a member of the Executive Branch I intend fully to support the President's position on budgetary matters once a final decision has been made. As you know, however, I have spent a number of years on the Board of Directors of Philadelphia's transit system, and I intend to use that experience and my knowledge of problems facing the transit industry in addressing transit issues from a Federal perspective. I intend to be an advocate for policies that will enable local transit systems to deliver safe and effective services to the public.

SENATOR CRANSTON. Currently Section 3 grants require a 25 percent local match. Secretary Skinner has instituted a policy of giving preference to grant requests that involve a local match greater than 25 percent. I and a number of other members of the Senate Banking Committee have expressed support for that policy. What is your position on the so called "overmatch" policy?

MR. CLYMER. I think it is important in this time of budgetary constraints that we make every effort to encourage our grantees to maximize and leverage their Federal transit funds. The Secretary's "overmatch" initiative encourages such an approach, and I think it is a good policy.

SENATOR CRANSTON. UMTA's April 25, 1989, notice of proposed rulemaking would prevent the development of more than one transportation corridor at a time within an area covered by a metropolitan planning organization. What is your position on this proposed policy?

MR. CLYMER. I think it is important to point out that we are still in the rulemaking stage in this matter. The period for public comment closed on June 26, 1989, and we are now carefully reviewing the comments that have been submitted. I recognize that UMTA's longstanding "one corridor" policy has been the subject of particular comment, and we will be reviewing that issue carefully before we make our final decisions on this regulation.

SENATOR CRANSTON. Some observers have criticized UMTA's Section 3(c) planning process because it does not give enough credit to cities that locate transit corridors in areas of

anticipated growth. To what extent should the Section 3(c) planning process take into account ridership forecasts?

MR. CLYMER. If we did not face the budgetary constraints that exist today, it might make sense to give more weight to ridership estimates. The fact of the matter is, however, that we are allocating scarce Federal discretionary funds and we simply do not have the luxury of using forecasts to determine which transit projects should be funded. Rather, we must fund those that best address current transportation needs.

SENATOR CRANSTON. In light of the problems of highway congestion and worsening air quality caused by automobile use, do you favor increasing Federal support for mass transit relative to highway construction?

MR. CLYMER. The Department of Transportation, in developing Secretary Skinner's National Transportation Policy, is looking at a range of transportation issues and problems, including the very serious problem of urban traffic congestion and its impact on air quality. We expect that policy to be issued next year and we intend to consider it carefully as we formulate our transit reauthorization legislative proposal.

SENATOR CRANSTON. Motor vehicles are a major cause of carbon dioxide pollution, but mass transit operators complain that a serious problem is created because emission standards for buses are higher than those for trucks. Mass transit operators must pay extremely high prices because reduced emissions engines are produced in low volume only for them. As Administrator, how would you deal with the problems caused by different emissions standards for buses and trucks?

MR. CLYMER. I am pleased to advise you that the Administration's Clean Air Act legislative package now before Congress proposes to extend the diesel engine emission standard for transit buses from its current deadline, 1991, to 1994. Under this proposal, the diesel emission standard would be the same for transit buses and heavy-duty trucks.

SENATOR CRANSTON. Congress has consistently supported transit operating assistance despite the previous Administration's opposition. What are your views on Federal funding for mass transit operating assistance?

MR. CLYMER. I believe that the primary Federal role in transit funding should be in the area of capital assistance, although I recognize that Federal operating assistance is particularly important to a number of smaller and mid-size transit operators. In developing the reauthorization proposal for the transit program, I intend to look at ways to encourage local operators to be able to maximize the use of their capital, perhaps to generate additional revenues that could be used to defray operating costs.

SENATOR CRANSTON. Santa Clara County, California has a dispute with UMTA over the obligation of Project Management

Oversight funds. Would you look into the situation and indicate how you think it should be resolved?

MR. CLYMER. The issue here concerns the appropriate source of Federal funding for a project management oversight contractor. I will review this matter and report back to you on it as soon as possible.

SENATOR CRANSTON. If confirmed, what will be your priorities for UMTA? What new initiatives might you embark upon?

MR. CLYMER. I think that Secretary Skinner's National Transportation Policy will provide an excellent framework for all of the agencies within the Department, including UMTA, to take a fresh look at their mandate and how the Federal funds that they administer can best be used at the local level to provide safe and efficient mobility. We expect to carefully consider the results of the policy in formulating initiatives for our reauthorization proposal. Pending action by Congress, we also hope to be able to implement the transit portions of two major initiatives of President Bush, The Clean Air Amendments and the Americans with Disabilities Act.

Chairman RIEGLE. I am going to pose one question at this stage. I know Senator Kassebaum is coming in and had indicated an interest in wanting to pose some questions, as well.

Yesterday we had in town many townships officials, as you may know, that are here from across America. Many from my home State of Michigan. It was significant to me that the first issue that they raised for me was the problem of our transportation system and what can be done to strengthen it, and the need for increased Federal funding in a variety of different ways.

And I am wondering what do you put at the top of your priority list for UMTA, as you look ahead here? What is number one and how do you see us going at this question of providing more infrastructure-type support out there than we have been able to do just in the recent past?

Mr. CLYMER. I think, Mr. Chairman, there will be a number of issues that will parallel one another. Of paramount importance will be the national transportation policy, along with the reauthorization legislation and our budget initiatives, both for the 1991 and 1992 fiscal years. Each of these issues will play a tremendous role in how we determine the future of transit in America.

As we develop these plans I think we should make the attempt to integrate them, and in so doing, try to consolidate what we are hearing America is saying about the needs of transportation in the future and merge that into our proposals as we consider reauthorization legislation and as we consider our future budgets.

Chairman RIEGLE. Senator Kassebaum.

Senator KASSEBAUM. Thank you, Mr. Chairman.

I walked in just as you mentioned that I have some questions, and I want to ask Mr. Clymer—I want to ask you a couple of questions that pertain to the same area of questioning as the Chairman's.

An analysis by the Interstate Commerce Commission found that between 1982 and 1986, approximately, 3,400 communities lost all inner-city bus service. The vast majority of those cities have populations under 10,000. In Kansas alone 19 communities were left without bus service this summer when Greyhound abandoned three routes.

As the head of the Urban Mass Transportation Administration how would your office, if you had time to analyze it, help to assist states and communities that have undergone these losses?

Mr. CLYMER. Rural transportation has been a significant part of the transportation budget in UMTA for a number of years and will certainly continue to be a priority under my watch.

Transportation to the rural areas is important primarily because it affects the transportation disadvantaged, the elderly, the poor, and the handicapped and their ability to be mobile.

Senator KASSEBAUM. It is a real problem, as I am sure you are aware, and we do need to find, not just to subsidize, but through some programs, I think, a way to provide better feeder service.

I don't know if you are familiar with legislation which Senator Exon and I now co-sponsor—have introduced. It is the Rural Bus Service Act. And this legislation would target more money for rural feeder services and inner city bus routes by doubling the

UMTA funding, which is a little—almost 3 percent, I guess it is now, to 7 percent.

Congresswoman Virginia Smith from Nebraska has introduced legislation in the House which would increase the funding to 6 percent for rural services. That would give states more discretion in determining how the money would be spent.

Senator Exon's legislation and the one I am supporting would have more specificity in it.

How do you feel about those bills? Have you had a chance to look at those?

Mr. CLYMER. I am aware that the legislation exists. I have not had a chance to examine it closely. I understand that the Administration has not commented yet on it.

Certainly, as I indicated earlier, we are very strongly supportive of rural transportation and would continue to be so, and would be happy to carefully consider that legislation.

Senator KASSEBAUM. Thank you very much. We look forward to working with you.

Mr. CLYMER. Thank you.

Chairman RIEGLE. Senator Cranston is unable to be here at this time, but he has questions that he would like to have you answer for the record. And we will have others, from other Senators, as well. I appreciate what you have had to say, and offer the questions we will submit to you and ask you that you give us timely responses so that we can put them in the record.

But I want to say again to you and the others, whom we will shortly hear from, that I, for one, appreciate the serious commitment to public service by each of you that have come forward today for your nomination hearings.

We have a lot of work to do as a country; we have to do it together, and it is very important that we topnotch cooperation between the executive and the legislative branch, and that is the way that we have been operating in this committee and will continue to. So, we look forward to working with you.

Thank you for your appearance today.

Mr. CLYMER. Thank you, Mr. Chairman. I am excited about the opportunity and I look forward to working with all of you.

Chairman RIEGLE. Very good.

[Nominee excused.]

Chairman RIEGLE. Let me now call three nominees to the table, along with our colleague, Senator Warner, who is here from Virginia to introduce two of these individuals, Mr. John Weicher to be Assistant Secretary of Housing and Urban Development; Sherrie Sandy Rollins, of Virginia, to be Assistant Secretary of Housing and Urban Development; and Anna Kondratas, of Virginia, to be an Assistant Secretary of Housing and Urban Development.

We will ask those three nominees to be seated at the table.

[Pause.]

Chairman RIEGLE. I know that each of you is accompanied by family members and others that you may wish to introduce, and we would be delighted to have you do that at an appropriate time.

But let me now call on our friend and colleague, Senator Warner.

STATEMENT OF SENATOR JOHN WARNER

Senator WARNER. Thank you, Mr. Chairman, Senator Kassebaum and other members of the committee.

First, I would like to commend you and the members of this committee and the staffs for continuing with these hearings this afternoon in light of the options that certain other members had on this Friday afternoon. I think it is important that we move ahead with the President's nominees and certainly, Mr. Chairman, you and members of this committee are in the spirit of getting the job done.

I am privileged here today to introduce to your committee two of President Bush's nominees for the Department of Housing and Urban Development: Anna Kondratas, President Bush nominee to be Assistant Secretary for Community Planning and Development and Sherrie Sandy Rollins to be Assistant Secretary of Housing and Urban Development for Public Affairs.

First, let me welcome to the Senate Mrs. Kondratas, her husband, Ray. Is he here? Thank you very much.

Both of these nominees come to their prospective positions with an impressive background of experience. This is, I might add, a time when HUD is in particular need of such experience and backgrounds, which I find to be outstanding.

Mrs. Kondratas has had a distinguished public policy career in the human resource field. After an impressive education, including a period in Poland as a Fullbright Scholar, Mrs. Kondratas went on to the Republican National Committee to direct issues of research. She became a policy analyst at the Heritage Foundation on Health and Welfare Issues where she published a variety of articles and issue papers in 1984, as well as coauthoring the book "Out of the Poverty Trap."

For the past 3 years Mrs. Kondratas has been in the public sector, serving at the U.S. Department of Agriculture in the Food and Nutrition Service. First as the Director of the Office of Analysis and Evaluation and, since 1987, as the Administrator.

It is in this current capacity, as Administrator of the Food and Nutrition Service where she administers a program budget that exceeds the entire program budget of the Department of Housing and Urban Development, Mrs. Kondratas has gained through that experience the necessary background to undertake her new responsibilities.

I am also pleased to introduce to the committee a very good friend of long-standing, Sherrie Sandy Rollins, who has extensive experience in media relations and public affairs both in the private and political sectors. She is here today with her husband, Ed, a veteran of political campaigns on both ends of Pennsylvania Ave. He is way back there, discretely, Mr. Chairman.

[Laughter.]

A graduate in communication studies from the University of Virginia at Charlottesville—and I happen to have had the privilege of attending that institution myself—founded by one of the nation's most skilled communicators, Thomas Jefferson.

Mrs. Rollins has for the past 4 years been the vice president of communications for the Oliver Carr Co., and that is a company I have known for many, many years, having known the founder

of that company. At the Carr Company she has been responsible for advertising, promotion and all community media public relations.

Sherrie came to the Oliver Carr Co. following a year or dedicated service to the re-election effort of President Reagan in 1984, where she served first as a press coordinator and media liaison to the campaign, and later as Assistant Press Secretary to the Presidential Inaugural Committee.

Mr. Chairman, there is no question that the next several months will be vital in charting the course of our Nation's housing policy. Secretary Kemp needs experienced people in key positions to help him throughout the important months ahead.

Anna Kondratas and Sherrie Rollins are two outstanding Americans ready to take on that responsibility for the President and the Secretary.

I wish you well.

Chairman RIEGLE. Thank you very much, Senator Warner. Those are important words of support coming from a highly respected Member of the Senate. That has great weight with me and I know it does for all the members of the committee. So, we are delighted with your comments, and let me excuse you now and we will continue now ——

Senator WARNER. The nominees are now on their own. [Laughter.]

Chairman RIEGLE. We are delighted to have the three of you here, and I want to say to you as well that this committee is very mindful of the responsibility and the service aspects of coming forward to work for the people of the United States, which you now do.

It is a great honor and it is a very serious task that each of you take up to do this public work, and I want to congratulate each of you on your nominations. I have examined your backgrounds and your other materials that have been submitted and find all of you to be people who I think are well able to discharge the responsibilities that you have been asked to do here.

I would say that when the Department of Housing and Urban Development was created nearly 24 years ago its mission was promote development in our urban communities to assure that all Americans would have a safe and decent place in which to live and to encourage the home building and financing industries to advance equal housing opportunities for all.

Despite substantial progress toward improving the quality of life for many Americans, there are a great number that have been left out, and there is enormous challenges lying ahead of us and ahead of each of you as we undertake to try to meet the current needs with limited resources. And there has been no department of the Government over the last decade that has had larger budget reductions, as I am sure you know, than the Department of Housing and Urban Development.

It is one of the reasons why we get more people living in doorways and under bridges and cardboard boxes in this country than we have seen probably since the Depression. It is a very difficult situation. One that will need leadership and ingenuity in order to improve in a substantial way.

Knowing Jack Kemp for sometime myself, I think he brings to his assignment the energy and the leadership effort to—in conjunction with people like yourselves, to see if we can't make some real headway and begin to beneficially effect and impact more people in the country.

So, we will look forward to the contribution that each of you will make in your respective areas.

Let me now ask you to stand together, and I am going to administer the oath to all three at once.

[Nominees sworn.]

Let me invite each of you in order to make whatever introductions and initial comments and summary comments you might wish to make. If you have prepared statements we will make those statements part of the record.

Let me begin, Ms. Rollins, by calling on you for whatever comments you might wish to make.

STATEMENT OF SHERRIE SANDY ROLLINS, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF HOUSING AND URBAN DEVELOPMENT, VICE HARRY K. SCHWARTZ, RESIGNED

Ms. ROLLINS. Let me say what a privilege it is to appear before you. I am grateful for the confidence which President Bush and Secretary Kemp have placed in me.

As you know, Secretary Kemp has come to HUD with an ambitious agenda. I am excited about the prospect of helping to achieve Secretary Kemp's goals of homeownership, affordable and fair housing, economic development, resident management, drug-free public housing, and fighting homelessness.

Mr. Chairman, I think it is clear that the visibility of the Department of Housing and Urban Development has increased dramatically since the beginning of the year. Let me reiterate that Secretary Kemp recognizes the importance of full responsiveness to the Congress, the media and the people served by HUD's programs. The increased volumes of activities generated by the Department, both by developing programs to meet future needs and by resolving the unexpected management problems, create enormous challenges for all public affairs.

We want to be open and forthright about the problems HUD has experienced. We have had dozens of congressional committees, representatives of the media and private citizens request documents and information concerning HUD's programs and activities. We are committed to insuring that these requests are met in a timely fashion.

I feel that it is essential that the American people know that HUD is open for business. I welcome the responsibility of the Assistant Secretary of Public Affairs and I am confident that my background in public affairs and corporate communications will enable me to perform this function effectively.

I believe that the Assistant Secretary for Public Affairs should serve as a bridge between the people and the Department of Housing and Urban Development and can play an important role in promoting the goals which we all share.

I look forward to working with this Committee, and thank you very much.

[The complete statement of Sherrie Rollins follows:]

STATEMENT OF SHERRIE ROLLINS

ASSISTANT SECRETARY-DESIGNATE FOR PUBLIC AFFAIRS

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

BEFORE THE

SENATE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

SEPTEMBER 8, 1989

Chairman Riegle, Senator Garn, and members of the Committee. It is a privilege to appear before you today as the President's nominee to serve as Assistant Secretary for Public Affairs of the Department of Housing and Urban Development.

I am honored that President Bush has selected me for this position of trust and responsibility and that he has given me a unique opportunity for public service.

I am also grateful for the confidence which has been placed in me by HUD Secretary Jack Kemp. The Secretary has come to HUD with an exciting agenda for recapturing the American dream of homeownership, opportunity, economic growth and job creation. I am excited about the prospect of helping him and President Bush achieve the goals they have set for the Department.

Mr. Chairman, it is clear that the visibility of the Department of Housing and Urban Development has increased dramatically since the beginning of this year. In addition to the ambitious agenda set by the Secretary when he took office in February, the Congress and the public have given intense scrutiny to past abuses and mismanagement in HUD programs.

Secretary Kemp recognizes the importance of full responsiveness to Capitol Hill, the media, and to all people served by HUD's programs. This will require the Assistant Secretary for Public Affairs to develop the management, administrative and personnel systems which will support the Department's need to respond to the public's concerns. It is a challenge which I welcome, and I am confident that my background in communications and corporate public affairs will enable me to

perform this function effectively.

The increased volume of activities generated by the Department -- developing programs to meet future needs and resolving the unexpected management problems inherited by this Administration -- have created enormous challenges for all components of the Department's public affairs function.

I want to touch briefly on just a few aspects of my position which I consider to be the most critical.

First, it is essential, given the amount of concern about past abuses and favoritism at HUD, to make it abundantly clear to the American people that the Department of Housing and Urban Development is open for business and fulfilling its mission to provide housing and economic opportunity to the people of this country. It is important for people to know that Secretary Kemp and President Bush are restoring integrity, efficiency and a sense of fair play to HUD, and that we are committed to using the full resources of HUD to wage a war on poverty, homelessness and despair.

Second, Secretary Kemp has made it clear that HUD will be open and forthright about the problems it experienced in the past. Dozens of congressional committees, representatives of the media, and private citizens have requested documents and information concerning HUD programs and activities. We are committed to ensuring that those requests are met in a timely manner, and we pledge our full cooperation in all constructive efforts to improve the management and operation of HUD programs

and to ensure that all deficiencies in those programs are identified and corrected as quickly as possible.

Third, we at HUD are proud of the message of hope and opportunity that Secretary Kemp has been carrying throughout the nation. One of the priorities established by President Bush and Secretary Kemp bears repeating today, and that is the goal of helping make public housing drug free. If we can make the position of Secretary of HUD a "bully pulpit" to carry the message of a drug free America to the people of this country, then I believe we have an obligation to do so.

Mr. Chairman, I believe that the Assistant Secretary for Public Affairs can play an important role in promoting the goals of homeownership, fair housing, economic growth, jobs and opportunity, which are at the heart of HUD's mission. I believe, as well, that the position must serve as a bridge between the Department and the American public to ensure that the Department is doing its job effectively and efficiently. I look forward to working with members of this Committee and with Secretary Kemp to promote the goals of housing and opportunity which we all share.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: ROLLINS (LAST) SHERRIE (FIRST) SANDY (OTHER)

Position to which nominated: Assistant Secretary for Public Affairs Date of nomination:

Date of birth: 11 (DAY) 06 (MONTH) 58 (YEAR) Place of birth: Roanoke, VA

Marital status: Married Full name of spouse: Edward John Rollins, Jr.

Name and ages of children:

Education:

Institution	Dates attended	Degrees received	Dates of degrees
University of Virginia	9/76-5/80	BA Communications	05/80

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Office held (if any)	Dates
SEE ATTACHED		

Employment record: List below all positions held since college, including the title or description of job, name of employment, location of work, and dates of inclusive employment.

(1) Special Advisor to the Secretary, Department of Housing and Urban Development, Washington, DC, March 1989-PRESENT

(2) Vice President, Communications, The Oliver Carr Company Washington, DC, March 1985-March 1989

(3) Director of Media Support, Republican National Convention New Orleans, LA, July 1988-August 1988

(4) Special Assistant to the Administrator, Department of Transportation, Urban Mass Transit Authority, Washington, DC, January 1985-March 1985

(5) Assistant Press Secretary, Presidential Inaugural Committee Washington, DC, November 1984-February 1985

(6) State Press Coordinator, Reagan-Bush 1984, Washington, DC, January 1984-November 1984

(7) Executive Director, The Business and Professional Association of Georgetown, Washington, DC, March 1981-December 1983

(8) Account Executive, Gleason and Thomasson, Charlottesville, VA November 1980-March 1981

(9) Advertising Director, Autumn Publishing, Alexandria, VA September 1980-December 1980

ATTACHMENT
FOR PAGE 2

Memberships: List below all memberships and offices held in professional, fraternal, business scholarly, civic, charitable and other organizations.

Organizations:

The Williamsburg Charter, U.S. Bicentennial Commission-Media Advisory Committee

YMCA of Washington, D.C. -- Communications Advisory Committee

Washington Performing Arts Society -- Corporate Steering Committee

American Film Institute -- Second Decade Council

Lombardi Tournament -- Committee Member

D.C. Preservation League -- Member

Waterford Foundation -- Member

National Trust for Historic Preservation -- Member

American Society of Association Executives -- Member

Delta Delta Delta Sorority, President, UVA Chapter

Government experience: List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part-time service or positions.

Special Assistant to the Administrator

Department of Transportation

Urban Mass Transit Authority, January-March 1985

Special Advisor to the Secretary

Department of Housing and Urban Development, March 1989-Present

Published writings: List the titles, publishers and dates of books, articles, reports or other published materials you have written.

Political affiliations and activities: List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

League of Republican Women, Member Republican National Convention, 1988

Director of Meida Support

Republican National Convention, 1984

Reagan-Bush 1984 Network Liaison, State Press Coordinator

Political contributions: Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify the specific amounts, dates, and names of the recipients.

$500--Republican National Committee--Victory Fund 10/18/88

$500--Target 1988--04/25/88

Qualifications: State fully your qualifications to serve in the position to which you have been named.
(attach sheet)

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

YES

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

NO

3. Has anybody made you a commitment to a job after you leave government?

NO

4. Do you expect to serve the full term for which you have been appointed?

YES

WORK STATEMENT

Over the last ten years I have accumulated a broad range of experience that I feel will enable me to carry out the responsibilities of Assistant Secretary for Public Affairs.

In the last four years, I have developed and implemented a communication strategy and program for the most active real estate developer in the Washington, D.C. area. As Vice President of Communications for The Oliver Carr Company, I have managed a department, played a crucial role in the senior management of the Company, worked with local and Federal Government agencies and had ongoing contacts with national and local media. I have been involved in long range planning and urban development and fully understand the critical role the Department of Housing and Urban Development can play in our urban areas.

In addition to my experience with The Oliver Carr Company, I have had a senior communications role in President Reagan's re-election campaign and in coordinating the network television coverage for the 1984 and 1988 Republican National Conventions.

I also spent several years as Director of the Business and Professional Association of Georgetown. I worked closely with the local and Federal Governments to represent the community's interests and promote one of the most vital parts of the City.

To summarize, I feel that during the last ten years, I have developed strong communication skills, contacts with the national and local media, and sensitivities to how Congress, The White House, and state and local governments work. I know I am an effective manager of people. I will work hard to implement the priorities and goals of President Bush and Secretary Kemp for the Department of Housing and Urban Development. I look forward to the challenge.

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

None

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

None

3. Describe any business relationship, dealing or financial transaction (other than tax-paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

None

4. List any lobbying activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

None

5. Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to the above items.

Not Applicable

Civil, criminal and investigatory actions:

1. Give the full details of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

Not Applicable

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

Not Applicable

Chairman RIEGLE. Very good.

We had the opportunity, some time back, to travel together in Michigan with the Secretary as he came out to Detroit and to Flint, and I recall that to be a very productive day and the good work that you were doing at that particular time.

I think it is very important that, with the agency under the cloud of the past practices, that we really get exemplary work out of everybody that comes forward to do a job there because I think the only way we are going to restore the reputation of HUD, which has been seriously damaged, is with absolutely top-level efforts, and that means absolute integrity at any point.

And I want to ask each of you now and an answer on the record from each of you—I want your assurance that if at any time you are aware of any improper activity, favoritism, political influence, anything being exercised that tilts the process toward a favored person or group or anybody and in any fashion has the effect of being other than absolutely evenhanded and objective, that you will report that to your superior in the Department, that you will report it to this committee, and that you will also, if it is a situation of a serious nature, that you will report it to the Inspector General of the Department, and I would like an answer from each of you on the record now in that respect.

Ms. ROLLINS. Absolutely.

Ms. KONDRATAS. I certainly intend to do exactly that.

Mr. WEICHER. Absolutely, Mr. Chairman.

Chairman RIEGLE. Thank you. We have a rebuilding job to do and everybody has to be vigil in that effort.

I must tell you that we will act with a vengeance toward anybody that we find in the future that deviates from that at all. We feel very strongly about it. We are about to begin a formal investigative effort here in the committee on the past abuses in the Department and they are well-known, well-documented. The Secretary himself has indicated publicly billions of dollars were in effect misappropriated by improper practices, and that just cannot be tolerated.

And so you all have a responsibility today to help clean that problem up.

I am going to now move to you, Ms. Kondratas, and let me invite you also to introduce to us anyone that you may have accompanying you that you would like us to meet, and also to make any opening comments that you would like to make at this time.

STATEMENT OF ANNA KONDRATAS, ASSISTANT SECRETARY-DESIGNATE FOR COMMUNITY PLANNING AND DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Ms. KONDRATAS. I believe Senator Warner has already introduced my husband. I won't make him stand up twice.

Thank you, Mr. Chairman.

It is an honor to appear before you today as President Bush's designee for Community Planning and Development at HUD. I am grateful for the confidence expressed in me by the President and by your former colleague, HUD Secretary Jack Kemp.

I am genuinely excited by the challenge of working with Secretary Kemp, who is deeply committed to achieving the goals of housing and economic opportunity, which are at the heart of HUD's mission.

As Assistant Secretary for Community Planning and Development, I will administer most of the programs which fall on the human development side of HUD, although the impact of our programs on housing affordability and availability is also great.

The Assistant Secretary for Community Planning and Development manages and administers grant and loan guarantee programs, the largest of which is the nearly $3 billion Community Development Block Grant program, which provides critical funding to States and communities for diverse activities, including economic development, housing rehabilitation, restoring neighborhoods and promoting local jobs and business opportunities.

I am committed to seeing that all of our programs are effectively targeted to the individuals they are intended to serve. That they be effective tools in the Government's continuing war against poverty.

Secretary Kemp is dedicated to meeting the challenge of empowering the poor and expanding housing and economic opportunity. I look forward to the role I can play in developing and executing the HUD programs and policies which contribute to that mission, including the coordination of HUD's efforts to combat homelessness.

I am confident that my background as Administrator of the USDA's Food and Nutrition Service will allow me to administer the programs in my portfolio capably.

I pledge to the members of this committee that those programs will be operated ethically and efficiently and for the highest benefit of those who depend on them. I pledge to work and I look forward to working in a cooperative bipartisan manner with the committee to achieve those goals.

I trust that you will find my qualifications and record satisfactory for confirmation.

Thank you very much.

Chairman RIEGLE. Thank you very much.

[The complete statement of Anna Kondratas follows:]

STATEMENT OF ANNA KONDRATAS

ASSISTANT SECRETARY-DESIGNATE FOR COMMUNITY PLANNING

AND DEVELOPMENT

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

BEFORE THE

SENATE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

SEPTEMBER 8, 1989

Chairman Riegle, Senator Garn, and members of the Committee. It is an honor for me to appear before you today as President Bush's nominee to serve as Assistant Secretary for Community Planning and Development at the Department of Housing and Urban Development.

I am grateful that the President has seen fit to nominate me to this position of trust and responsibility, and I sincerely appreciate this opportunity to continue my career in public service.

I am grateful also for the confidence expressed in me by your former colleague, HUD Secretary Jack Kemp. I am genuinely excited by the challenge of working with Secretary Kemp, who is deeply committed to achieving the goals of housing opportunity, homeownership, economic growth and jobs which are at the heart of HUD's mission.

When Secretary Kemp testified before you at his own confirmation hearing, he told you that he intended to be more than just Secretary of Housing. He expressed his desire to exercise fully his responsibility to promote economic development in the urban and rural areas of this country which have too often been forgotten or left behind.

As Assistant Secretary for Community Planning and Development, I will be responsible for administering most of the programs which fall on that "Urban Development" side of HUD, which the Secretary considers to be an integral part of HUD's mission. And I appreciate, as the Secretary does, the almost limitless and virtually untapped resources of the private sector,

individuals and community-based nonprofit groups, to wage a war on poverty. As the Secretary said before this Committee on January 27, "we have a unique opportunity right now to forge new alliances that transcend color, economic status and even ideology." I will work closely with Secretary Kemp and with you in the Congress to develop those public/private enterprise partnerships which will enable us to broaden and deepen economic opportunity for all our citizens.

The Assistant Secretary for Community Planning and Development manages and administers grant and loan guarantee programs which provide critical funding to states and communities for diverse activities which include fostering economic development, restoring neighborhoods, promoting local jobs and business opportunities, and combating community development problems.

As Assistant Secretary, for example, I will have responsibility for the Community Development Block Grant (CDBG) program, which provides almost $3 billion annually to communities and states for their community development needs. I believe the CDBG program is an essential and indispensable source of funding for community and economic development by state and local government, and I am committed to seeing that this program is effectively targeted to the low and moderate income individuals it is intended to serve.

I believe, however, that CDBG is but one tool for economic development. We need to remove barriers that discourage

investment and entrepreneurship in our distressed inner cities and rural communities. In effect, we need to "greenline" for success those areas of the country that have previously been "redlined" for poverty and despair. Those incentives which will promote the creation of jobs and enable the poor to realize their hopes and dreams for the future are contained in Enterprise Zone legislation currently working its way through Congress. Both Secretary Kemp and President Bush have made the enactment of Enterprise Zone legislation a cornerstone of their agenda for HUD, and we believe that goal can be accomplished this year.

I am aware that the legislation to provide incentives for Enterprise Zone creation does not fall under the jurisdiction of your committee, Mr. Chairman. However, the Administration is working to include a package of incentives in the Fiscal 1990 reconciliation bill, which will complement the Enterprise Zone authorizing legislation already approved by Congress.

I look forward to working with Secretary Kemp and with you, Mr. Chairman, to develop and administer an effective Enterprise Zone program which will promote the creation of jobs and economic opportunity in those areas where opportunity has for too long been lacking.

President Bush and Secretary Kemp have made ending the tragedy of homelessness one of their priorities for the Department of Housing and Urban Development. Secretary Kemp has charged me with the functional coordination and management of the Department's effort to implement the McKinney Act fully,

vigorously and faithfully. And as we endeavor to encourage public and private efforts to combat homelessness, we hope to go beyond providing basic shelter and help pave the way to jobs, permanent housing, and human dignity.

I am especially pleased by this assignment, since homelessness has long been a concern of mine, and while I was at Agriculture I served as USDA's designee to the Interagency Council on the Homeless.

Secretary Kemp is fully committed to meeting the challenge of empowering the poor and expanding housing and economic opportunity. I look forward to the role I can play in developing and executing HUD programs and policies which contribute to that mission.

I am confident that my background as administrator of the USDA's food and nutrition programs will enable me to administer the programs in my portfolio capably. I pledge to the members of this Committee that those programs will be operated ethically and efficiently, and for the highest benefit of those who depend on them. With that in mind, I trust you will find my qualifications and record satisfactory for confirmation as Assistant Secretary for Community Planning and Development.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: KONDRATAS (LAST) SKIRPA (FIRST) ANNA (OTHER)

Position to which nominated: ASST. SEC., CPD, HUD Date of nomination:

Date of birth: 26 (DAY) 1 (MONTH) 44 (YEAR) Place of birth: VILKAVISKIS, LITHUANIA

Marital status: MARRIED Full name of spouse: RAMUNAS A. KONDRATAS

Name and ages of children: VIDMAS, 17 (M)
RIMGA, 15 (F)

Education:

Institution	Dates attended	Degrees received	Dates of degrees
RADCLIFFE/HARVARD	1961-65	AB mcl	6/65
U. OF POZNAN, POLAND	1965-66	—	—
COLUMBIA UNIV.	1966-67	—	—
BOSTON UNIV.	1968-69	MA	6/69
GEORGE MASON U.	1979-81	MBA	6/81

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

NATIONAL MERIT SCHOLARSHIP 1961-65

FULBRIGHT FELLOWSHIP (POLAND) 1965-66

NDFL FELLOWSHIP IN RUSSIAN 1966-67

PHI BETA KAPPA (ELECTED 1965)

GOVERNOR'S FELLOWSHIP (GEORGE MASON) 1980-81

BUSINESS HONOR SOCIETY (BETA EPSILON PHI), DISTINGUISHED MBA STUDENT AWARD, 1981

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Office held (if any)	Dates
LITHUANIAN COMMUNITY OF WASHINGTON, DC	TREASURER	1980
	PRESIDENT	1981
KINGS PARK CIVIC ASSOC.		1978-PRESENT

Employment record: List below all positions held since college, including the title or description of job, name of employment, location of work, and dates of inclusive employment.

(1) TRANSLATOR; LITHUANIAN ENCYCLOPEDIA PRESS, BOSTON, MA, 1967-68

(2) RESEARCHER; ORG. FOR SOCIAL & TECH. INNOVATION, CAMBRIDGE, MA, 1969-197[illegible]

(3) LIBRARIAN; CAMPBELL, ALDRICH & NULTY, ARCHITECTS', BOSTON, MA, 1970-72

(4) SUBSTITUTE TEACHER; BOSTON & MILTON PUBLIC SCHOOLS, MA, 1973-76

(5) TEACHER; FONTBONNE ACADEMY, MILTON, MA, 1976-77

(6) TEACHER; ST. PHILIP'S SCHOOL, FALLS CHURCH, VA, 1978-79

(7) ECONOMIC ANALYST & DEP. DIR. OF RESEARCH; REPUBLICAN NATIONAL COMMITTEE, WASH. D.C., 1981-84

(8) POLICY ANALYST; HERITAGE FOUNDATION, WASH. D.C. 1984-86

(9) DIRECTOR; OFFICE OF ANALYSIS & EVAL., FOOD & NUTRITION SERVICE, USDA, (ALEXANDRIA) WASH. D.C., 1986-87

(10) ADMINISTRATOR; FOOD & NUTRITION SERVICE, USDA, (ALEXANDRIA) WASH. D.C., 1987-89

22-655 0 - 89 - 3

Government experience: List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part-time service or positions.

FEDERAL SERVICE ONLY:

DIRECTOR, OFFICE OF ANALYSIS AND EVALUATION, FOOD & NUTRITION SERVICE, USDA, 9/86 - 3/87

ADMINISTRATOR, FOOD AND NUTRITION SERVICE, USDA, 3/87 - 2/89

SPECIAL ADVISOR TO THE SECRETARY, HUD, 2/89 - PRESENT

Published writings: List the titles, publishers and dates of books, articles, reports or other published materials you have written.

SEE ATTACHED LIST

Political affiliations and activities: List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

MEMBER, LITHUANIAN-AMERICAN REPUBLICAN FEDERATION

VOLUNTEER IN VARIOUS CAMPAIGNS (PHONE BANKS, PAMPHLET DISTRIBUTION, ETC.)

NO OTHER SERVICES OTHER THAN JOB-RELATED (WHILE WORKING AT RNC)

Political contributions: Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify the specific amounts, dates, and names of the recipients.

NONE

Qualifications: State fully your qualifications to serve in the position to which you have been named.
(attach sheet)

SEE ATTACHMENT

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

NOT APPLICABLE (FEDERAL EMPLOYEE)

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

— (N.A.)

3. Has anybody made you a commitment to a job after you leave government?

NO

4. Do you expect to serve the full term for which you have been appointed?

YES

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

NONE

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

NONE

3. Describe any business relationship, dealing or financial transaction (other than tax-paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

NONE

4. List any lobbying activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

NONE

5. Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to the above items.

NO CONFLICT

Civil, criminal and investigatory actions:

1. Give the full details of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

NONE

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

NONE

SKIRMA ANNA KONDRATAS

SELECTED PUBLICATIONS

"A Strategy for Helping America's Homeless," Heritage Foundation Backgrounder, No. 431, May 6, 1985.

"Beyond Welfarism," Journal of the Institute of Socioeconomic Studies, Volume X, No. 4, Winter 1986, pp. 51-67. (Coauthored by Stuart Butler.)

"Breaking the Entitlements Deadlock with a Presidential Commission," Heritage Foundation Backgrounder, No. 469, Nov. 13, 1985. (Coauthored by Stephen Moore.)

"Civil Rights Bill: Congress Must Say What It Means," Heritage Foundation Executive Memorandum, No. 60, Aug. 1, 1984.

"Comparable Worth Is Not Pay Equity," Heritage Foundation Issue Bulletin, No. 110, July 31, 1984.

"Holding Hands Against Hunger: How Americans Are Being Conned," Heritage Foundation Backgrounder, No. 512, May 21, 1986.

"Mobilizing Policies to Bolster the Family in the Fight Against Poverty," Heritage Foundation Backgrounder, No. 517, June 17, 1986.

Out of the Poverty Trap, New York: Free Press, 1987. (Coauthored by Stuart Butler.)

"The Political Economy of Work-for-Welfare," Cato Journal, Spring-Summer 1986.

"Poverty and Equity: Problems of Definition," Journal of the Institute for Socioeconomic Studies, Volume IX, No. 4, Winter 1985, pp. 37-48.

"Poverty in America: What the Data Reveal," Heritage Foundation Backgrounder, No. 475, Dec. 26, 1985.

"The Problems of Measuring Poverty," Heritage Foundation Backgrounder, No. 1, 1984.

"Reagan's Tax Revolution: A Big Boost for Families and the Poor," Heritage Foundation Issue Bulletin, No. 116, July 25, 1985.

"Reevaluating Entitlement Strategy," in Taming the Federal Budget, Fiscal Year 1986, ed. by Stuart M. Butler, Washington, D.C.: The Heritage Foundation, 1985.

SKIRMA ANNA KONDRATAS

QUALIFICATIONS:

From March 1987 to February 1989 I was Administrator of the Agriculture Department's Food and Nutrition Service, an agency operating 13 federal food programs. In that capacity, I was chief executive of an organization with 2,000 employees, a $21 billion annual program cost, and a $96 million annual operating budget. Earlier, as Director of the Service's Office of Analysis and Evaluation, I managed a staff comprising some 40 professional researchers and scholars in policy development and analysis activities, and directed evaluations of the agency's programs. While at USDA, I was the Secretary's designee on the Interagency Council on the Homeless.

From 1984 to 1986, I was Schultz Fellow and Senior Policy Analyst in Health and Welfare Economics at the Heritage Foundation. In addition to researching and writing on socioeconomic policy issues, I routinely did media interviews (including national TV) and addressed public forums around the nation. It was during this period that Stuart Butler (Director of Domestic Policy at Heritage) and I researched and wrote our book, Out of the Poverty Trap, which lays out a stragegy for a conservative war on poverty. The book discusses most of the major anti-poverty program areas, including community development.

Prior to that, I spent several years as Deputy Director of Research and as an economic analyst at the Republican National Committee. I directed issues research, provided macroeconomic analysis, and analyzed the political impact of economic issues. Earlier jobs include extensive experience in teaching, and working in the library of an architectural firm for several years. I have an M.A. in history and an M.B.A. in managerial economics.

I have an abiding interest in anti-poverty policy and believe our society should and can do a far more effective job of alleviating and reducing poverty and its effects. I believe my educational and professional background and commitment qualify me for the position of Assistant Secretary for Community Planning and Development.

RESPONSE TO WRITTEN QUESTIONS OF SENATOR D'AMATO FROM
SKIRMA ANNA KONDRATAS

Q. Ms. Kondratas, as Assistant Secretary for Community Planning and Development, you will be "Homeless Czar." Homelessness seems to stem from a variety of factors -- relating to health care, employment, housing and other social trends. How would you propose to tackle such a complicated problem?

A. As your question suggests, homelessness is an extremely complex phenomenon for which there is no simple answer. There is a role for all levels of government, businesses, non-profits organizations and citizens, and unless we work together with long-term commitment and energy, we will not find long-term solutions. We have initiated opportunities to discuss the issues and exchange ideas with all these groups and we will continue this important outreach.

At HUD, our first responsibility is to simplify and improve the programs that we administer so that they deliver the resources efficiently and effectively. We are in the process of doing that now. We have also consolidated management of these programs in a new office which will ensure that there is a consistent approach and philosophy to our Administration. Second, we believe that all Federal agencies with responsibility for the array of services and facilities for the homeless must work together. To that end, we are working through the Interagency Council on the Homeless with other Federal agencies with McKinney Act programs to explore how we can coordinate our resources and eliminate burdens for applicants. Finally, we are planning a number of new initiatives.

As you know, we have requested Fiscal Year 1990 appropriations to fund a homeless demonstration program which will help develop and expand innovative approaches to solve homelessness, particularly those which serve the mentally ill.

The $50 million initiative would be funded through the CDBG program and would permit states and localities, in cooperation with non-profit service providers, support projects, selected on a competitive basis, which provide a package of services to homeless groups with the greatest need for such assistance.

Helping to end homelessness is a top priority at HUD. You may be sure that we will do everything possible to achieve it.

Chairman RIEGLE. I want to pose a couple of questions.

Senator D'Amato has come in and I know he has a statement that he wants to be made a part of the record, and if so, I want to include it at an appropriate point.

Senator D'AMATO. Thank you very much, Mr. Chairman.

I would like, first of all, to submit a statement on behalf of the nominee for UMTA, Brian Clymer, whom you just had before the committee.

And then, Mr. Chairman—I am delighted to see my good friend Sherrie Rollins here and John Weicher, who has done such an outstanding job over at OMB, and Anna Kondratas—to submit statements in support of all three of the nominees and commend them to your attention.

And I thank you, Mr. Chairman, for calling this extraordinary hearing on a Friday.

I am deeply supportive of the nominees. And I believe that in moving this forward we certainly can help Secretary Kemp in undertaking the kind of restructuring and carrying out of the legitimate programs of HUD. HUD has come through a terrible time, and I think you recognize that and I think we are on the road to rehabilitating HUD so that it can do its job for our people.

I am delighted to be able to submit this statement. I am going to have to beg the chairman's indulgence because we have a subcommittee meeting that is meeting today in the Defense Appropriations Committee, which I'm going to leave for now.

But, I thank the chairman for his courtesy.

Chairman RIEGLE. Thank you very much, Senator D'Amato.

STATEMENT OF SENATOR D'AMATO

Senator D'AMATO. Mr. Chairman, I am pleased to welcome three nominees for Assistant Secretary positions at the Department of Housing and Urban Development—John Weicher, Anna Kondratas, and Sherrie Rollins. These individuals have exemplary records in their fields and exhibit the energy, dynamism, and commitment that Secretary Kemp has brought to the Department. I am pleased to support the nominations of these fine individuals.

John Weicher, the nominee for the Assistant Secretary of Policy, Development, and Research, has a longstanding record in urban and housing policy. He has an A.B. from the University of Michigan and a Ph.D. in Economics from the University of Chicago.

He has served as Assistant and Associate Professor at Ohio State University and the University of California at Irvine. As a private sector analyst, he has been Director of the Housing and Financial Markets Program at the Urban Institute and the F.K. Weyerhauser Scholar in Public Policy Research at the American Enterprise Institute. Dr. Weicher also has extensive experience in the public sector—serving as a chief advisor on economic matters for the General Accounting Office, the President's Commission on Housing, the Department of Housing and Urban Development, and the Office of Management and Budget. Few Urban policy experts share John Weicher's reputation of being fair, reasonable, and innovative. I welcome his leadership on policy issues as a part of the new team at HUD.

In addition, we have with us today Skirma Anna Kondratas, the nominee for Assistant Secretary of Community Planning and Development. Ms. Kondratas brings with her diverse and interesting experience. Ms. Kondratas has a A.B. from Radcliffe/Harvard. She attended the University of Poznan in Poland, Columbia University, Boston University and George Mason University in order to receive two Masters degrees. In addition, she has received a Fulbright Fellowship.

She has significant analytical background, serving as policy analyst at the Heritage Foundation. She also has a grassroots understanding of community issues from her work as a teacher in public and private schools in Virginia and Massachusetts. She has served in the public sector as the Director of the Office of Analysis and Evaluation for the Food and Nutrition Service of the U.S. Department of Agriculture. She later rose to be Administrator of that program. With homeless people on the streets of many cities around the country, the Department of Housing and Urban Development desperately needs sound and strong leadership to tackle this problem. It is my belief that Ms. Kondratas can provide this leadership.

Last, we have with us Sherrie Sandy Rollins, the nominee for the Assistant Secretary for Public Affairs. Ms. Rollins has received a B.A. from the University of Virginia. She has extensive experience in the field of public relations in the private and public sectors. She has served as Vice President of Communications for the Oliver Carr Company and as the Executive Director of the Business and Professional Association of Georgetown. She has served a Special Assistant to the Administrator of the Urban Mass Transit Authority of the Department of Transportation. Ms. Rollins brings with her an awareness of the sensitivity of public relations. With an agency that is dealing with a variety of sensitive issues at this point in time, Ms. Rollins will be a beneficial addition to the Department of Housing and Urban Development.

I must again commend Secretary Kemp for his excellent choices in nominations for the Department. I whole heartedly endorse these nominations and I look forward to a close working relationship with this Administration.

Thank you, Mr. Chairman.

Chairman RIEGLE. Ms. Kondratas, before we go forward ——

I think we will go in order here—I want to say that you will become in this position the chief administrator of the McKinney Homeless Assistance Programs, as you know, and I, for one, am pleased Secretary Kemp has made ending homelessness one of the top six priorities of his tenure. And I think that is a very significant establishment of priorities on his part.

I am also pleased that the Bush administration has lobbied for full funding of the McKinney Act programs.

On the other hand, I must say I am somewhat troubled by your own record over the years on the problem of homelessness because you have been outspoken on that issue, as you well know.

In a 1985 article you wrote, and I quote, "The main burden of responsibility for the homeless is with the State and local governments and private organizations." And you went on to say, "New Federal programs will simply produce another coalition of bureau-

crats and activists with a vested interest in prolonging the homeless crisis."

I am sure you would not want yourself so described as you are about to join the very bureaucracy to carry out this program. But in that same time period the record indicates that, in our view, that you consistently minimized the number of Americans who in fact are homeless when you were a policy analyst at the Heritage Foundation.

You were one of the very few vocal defenders of Secretary Pierce's widely criticized report, claiming that there were only 300,000 Americans who were homeless. As you, I am sure, know, there are many Governors, particularly, and mayors that took strong exception to that.

And I am just wondering, given those strongly held views, in that relatively recent timeframe, what are your thoughts today and does that put you at odds with the very responsibilities that you would be taking on here to go out and deal with these problems? Have your views changed? What are your views in that area?

Ms. KONDRATAS. I believe the remarks you quoted should be taken in the larger context of the paper and the policy recommendations I made.

In the first place, I said then and I maintain now that society definitely has a moral responsibility for helping the homeless. I also made a number of recommendations in that paper that since have appeared as congressional legislation, including the Frank amendment, to replace housing that is destroyed by the use of Federal grants.

There are a number of reasons that I said the problems have to be solved at the community level. Among those reasons are that, with the "not in my backyard" syndrome and other local obstacles to producing affordable housing and taking care of the mentally ill and substance abusers and welfare families, with the state responsibility for mental health policy and the State responsibility for the level of welfare benefits, there was a lot that needed to be addressed in our current welfare system before we created a new infrastructure of homeless programs.

However, those programs have been created and, in my opinion, they address a very serious need. They address a need that is out there for emergency assistance.

I think this is how I have spoken and I don't think I'm out of the mainstream of homeless advocates and persons who assist the homeless in saying that the last thing we want to see is a permanent emergency assistance structure of soup kitchens and shelters to help the homeless.

I would like to see more effort placed on prevention and on permanent housing for the homeless, including permanent housing solutions for persons who need supportive services and housing.

As for my views then, let me note that the manner of their expression is dependent on where one is. Obviously, the responsibilities of a policy analyst that is attempting to frame a debate are very different from the responsibilities of an administrator.

But I think that my record at the Department of Agriculture will show that I am a friend of the poor, an advocate for the poor. I am

very interested in having the best possible programs to help the homeless, and while the McKinney Act programs are under my supervision I would want to make them work as effectively and efficiently as possible, and the only way that they can work effectively and efficiently, the only way we will know that they work effectively and efficiently is if the assistance actually reaches the homeless.

I think I share the concerns of many that this not be a permanent feature of the American landscape, that we find solutions to repair the safety net.

And the quote that you cited at the beginning was simply an attempt on my part to address the needs, the gaping holes in the safety net that I believe occurred which caused homelessness in the first place.

Chairman RIEGLE. In this morning's national newspapers many of the stories indicate a closer examination of the President's anti-drug program contemplates the States coming up with a large part of the resources to actually carry out several of the recommendations that he has in mind, and many of the States, as you I am sure know, are struggling to find the resources right now to do what they presently are doing, let alone additional things.

And I am sure that that applies as well in the area of the homeless problem. It is difficult and an expensive problem, and it seems to my view to be a fifty State problem. It is not a two or three State problem, a regional problem. It seems to be found everywhere in the country and, therefore, is a national problem.

And so, a response, it seems to me, appropriately has to be local and State public involvement, and certainly, private sector involvement. We need some competent national strategy to insure that there are enough resources that actually make their way out there to get the job done.

What is your current estimate of the number of homeless in the United States?

Ms. KONDRATAS. I don't make my own estimate. I read other people's estimates and make a judgment about those estimates.

I think—it depends on how one defines homelessness—but the estimate that is in the Bush administration's budget for the McKinney Act funding and the estimate that I find most reliable currently is the Urban Institute's estimate of 600,000 homeless.

Let me point out that homelessness there is defined differently from the way that sometimes people define and broaden the definition, and therefore, it basically covers the number of people that are currently using services, whether food services by street people or emergency shelter services, and an estimate of who may not have been counted.

There are many controversies on the hidden homeless and I don't pretend to have the answers on that. There are many definitions of homelessness that include doubled-up families as homeless, and I certainly don't include those in the estimate and the Urban Institute did not.

So I think it really depends on how one defines it, what purpose one needs the estimates for. I find that consistently, academic studies, whether from Harvard University or the University of Chicago or the University of Massachusetts, or the Urban Institute, and including HUD's own much maligned study, which I don't think was

as bad as it has been made out to be—I think it was a fairly decent first crack at an estimate at that time, which was 5 or 6 years ago—all of those studies are consistently coming up with numbers that would indicate the number of homeless is well below one million.

The range of academic estimates of the national problem is somewhere between 250,000 and 750,000 persons. I repeat, these are people who are in need of multiple services, of supportive services as well as housing. These are the people we see on the streets and in our shelter system.

I personally believe that the broader definition of homelessness simply brings into the net of the homeless definition the extremely poor. I don't see any particular reason personally to expand the definition of homelessness that way. But I think we do have a responsibility to make sure that affordable housing is available and, in fact, that a decent life is able to be lived by every American.

In other words, I think that we have a moral responsibility to help not only the homeless, but also the millions of low income Americans that need our assistance in the housing area and in others.

Chairman RIEGLE. You used the figure, and the figure then, I take it, that you feel most comfortable with is the 600,000 figure. Understanding that it ties to the definition, I'm going to go to that. But let's narrow this down. I listened to everything you just said and I don't want to hear repetition of that again. I say that respectfully.

But 600,000 is the figure you are most comfortable with?

Ms. KONDRATAS. Currently homeless, including all in the emergency shelter and soup kitchen system, yes.

Chairman RIEGLE. And if you would, then, attach to that the definition that you associate with that so that we can—I think you make a good point. The number is very dependent on what we are talking about.

So, what constitutes then the definition of homelessness for that group of 600,000 that we estimate out there?

Ms. KONDRATAS. I don't want to say—the general definition in the Urban Institute study was, if I remember, people living in the streets, in emergency shelters without permanent housing. But again, I know that does not include doubled-up families. With another definition, some people would include that.

Chairman RIEGLE. If we put doubled-up families then the numbers would presumably be higher than 600,000. Is that what you are saying?

Ms. KONDRATAS. Oh, yes, definitely.

Chairman RIEGLE. So, in leaving those out, these are people then that are literally on park benches or doorways or under bridges or what have you or in emergency shelters——

Ms. KONDRATAS. Right.

Chairman RIEGLE [continuing.] If they can make their way into one of those.

And so the best figure, in your professional judgment right now, is about 600,000. That is the figure that you tend to think is the most accurate?

Ms. KONDRATAS. That's right.

Chairman RIEGLE. Is that number growing? Do you have any sense that it is growing?

Ms. KONDRATAS. Based on the reviews of local studies, not just the national studies, I think it is very clear that the problem is growing and not decreasing, and that the problem of homeless families in particular is becoming more and more severe.

Chairman RIEGLE. I gather from what I am hearing and reading—and this is anecdotal—and you have studied carefully in this field—that we are in fact seeing more families, we are seeing more women with children in these situations. Is this accurate?

Ms. KONDRATAS. Yes, that is accurate.

Chairman RIEGLE. You may have seen it, too. I saw a very powerful photo story—I believe it was in Life magazine—some time back, of a homeless family that had been living in a car—a father and mother and children—and they were somehow able to get for night lodging in a run-down motel and they were able to take a shower, which of course, normally, they would not be able to do.

And the story was very powerful in terms of both the narrative and the photographs of the tremendous impact on the children. How the children are really severely injured, in psychological terms and personal terms, by this rootlessness and bouncing from one place to another and never knowing where they are going to lay their head the next night and so forth.

The fact that the problem is growing, it seems to me, is really an awful commentary on what it is that seems to be causing more rather than our ability to reverse this and get people into some kind of decent housing, get a roof over people's heads.

Do you have any goals in mind? Have you talked to the Secretary about this? Is there an internal goal in mind as to what to try to accomplish in that area, say, in a year or 2 years or even a 4-year term?

Ms. KONDRATAS. I think definitely by the end of the term. It is very hard with a lack of really substantive data and hard numbers and the different categories of homelessness and the multiple needs of the homeless to make a rash promise.

I would consider it a success if we managed to turn the problem around during this administration and have the numbers going down, instead of increasing.

I would consider it a major policy goal for myself, personally, and I know the Secretary feels the same way, to make sure that there is not one single mentally ill homeless person on the street, that there is a permanent housing solution for the mentally ill, and that for families with children—that there not be a single welfare hotel left in the United States, but that decent transitional housing and permanent housing is made available for families with children.

I think those are the most important goals.

But, of course, I don't think that we will have accomplished what we should as a society accomplish until there are no homeless at all. Just as with the war on poverty, that is a goal that we need constantly to keep in mind and work toward solving. Keeping our minds open all the time about new solutions when proposed solutions don't work, and not giving up the battle.

I certainly don't intend to give it up.

Chairman RIEGLE. Do you know how many of the 600,000 are thought to be children, as opposed to adults?

Ms. KONDRATAS. I know that of that estimate—and this is only true for this particular estimate, because it certainly varies locality by locality and I've seen local estimates that are quite different—approximately 23 percent of the total are families with children. And I have forgotten the exact number that are the children, but it's about two or three children per family, I think, on an average.

About 23 percent of the homeless in that number are families with children.

Chairman RIEGLE. Is there any other major industrial nation that we know that has anything like 600,000 homeless out scattered around their society? I am not aware of any right off hand. Are you?

Ms. KONDRATAS. I'm not aware of 600,000 homeless and I'm not aware of too many countries that have a population of 250 or 260 million either, so I think one has to take the percentage of the population that is homeless into account where one makes comparisons.

I do know that the Western European countries are having increasing problems with the numbers of homeless. England, in particular. In fact, I heard an estimate for the British homeless that reaches 100,000. So, considering——

Chairman RIEGLE. I'm not surprised at that because, you know, the Government there has followed a lot of the policies, as the Government here, over the same period of time and they seem to be policies, whether intended or not, that leave us with more homeless rather than less.

I don't want to get into a philosophical debate, but I'm not at all surprised to find out that England is maybe the place where the homeless numbers are rising.

I would just like to suggest to you—I don't want to pursue this at greater length now. We've got two other nominees waiting.

I think you ought to set a goal for yourself. If the number is 600,000, I think in 4 year's time the goal ought to be to cut it in half. That is a big step.

But, you know, you are a very smart person and you are not coming in here, you know, just to hold a seat down or to earn a salary because you obviously can do that a lot of other ways. You're coming in here to get a job done, and I think you have to have—I think if you don't set tough, ambitious goals you don't get there.

And I think it is very easy to end up with a fuzzy amorphous. You know, we want to—sort of turn-the-tide kind of goals which end up sort of fuzzing away and not meaning much. I'm not saying that is your intention. I just say I think that is the way it tends to work.

I think if you thought about the problem, took a look at it and sat down with the Secretary and said, look, let's set a very tough goal for ourselves, we've got 4 years here, let's try to make a real difference and let's get these folks out of the rain, out of the cold and into some kind of a decent situation, I think you probably—you would make real progress.

I urge you to go back and look at a goal like that. See if you can't set one. Jack Kemp is a direct sort of person. If you went in and had a blunt conversation about it you might be able to persuade him. He might be able to persuade you to set a goal like that. I don't say that precise one, but something on that order.

Mr. Weicher, we are pleased to have you here as well, and let me now invite you to make whatever opening comments that you would like to make and introduce guests you may have brought with you.

STATEMENT OF JOHN C. WEICHER, ASSISTANT SECRETARY-DESIGNATE FOR POLICY DEVELOPMENT AND RESEARCH, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Mr. WEICHER. My family is not with me today.

I have a brief statement that I want to submit for the record.

And I just want to say to you that it is an honor to appear before you today as President Bush's nominee to serve as Assistant Secretary for Policy Development and Research in HUD. I am privileged that the President has seen fit to nominate me to this position and I am pleased to have the opportunity to serve at HUD under your former colleague, under Secretary Kemp.

President Bush and Secretary Kemp have an ambitious agenda for HUD to achieve the goals of housing and homeownership opportunity, economic growth and job creation. I have spent most of my professional life analyzing urban policy issues, at HUD previously and in the private sector, and I think this is an exciting prospect.

At PD&R the responsibilities of the office include evaluating HUD's programs, developing and analyzing new policies, new initiatives, conducting research on building technology, housing quality, collecting and disseminating, analyzing data on housing markets.

Essentially, PD&R works for the Secretary and the Under Secretary and work with the program offices in achieving the program and policy goals of the Department, the goals of the Secretary, and my view is that we should have that role. We are part of a team. We will be working with our colleagues on the Secretary's agenda.

The priorities would be the six that the Secretary has identified, Housing affordability; economic development through free enterprise zones; empowering the poor to control their own lives through initiatives such as resident management and ownership of public housing; enforcing the new fair housing law; make public housing drug free; and as you have just been discussing with Ms. Kondratas, ending homelessness.

We also, I hope, in PD&R will have a role in the development of the initiatives that will go into the Secretary's reform agenda for the Department.

It is an exciting opportunity. I am looking forward to the role I can play in developing these programs.

I want to say, also, specifically to you, Mr. Chairman, that one of the functions of the office, one of my objectives will be to insure that the studies and the reports that are mandated by the Congress are submitted to you in a timely fashion.

I think it is important to the interest of the Department and of Congress that public policy decisions can be made on the basis of the best available information and we will do our part to provide that.

Finally, I want to pledge to you and to the members of this committee my full cooperation with you as we try to improve the Nation's housing and community development programs and resolve the problems that we now have.

Thank you.

[The complete statement of John C. Weicher follows:]

STATEMENT OF JOHN C. WEICHER

ASSISTANT SECRETARY-DESIGNATE FOR POLICY DEVELOPMENT

AND RESEARCH

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

BEFORE THE

SENATE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

SEPTEMBER 8, 1989

Chairman Riegle, Senator Garn, and members of the Committee. It is an honor to appear before you today as President Bush's nominee to serve as Assistant Secretary for Policy Development and Research of the Department of Housing and Urban Development.

I feel privileged that the President has seen fit to nominate me to a position of trust in his Administration. If I am confirmed, this will be the fourth President I have served.

I am particularly pleased to have the opportunity to serve at HUD under your former colleague, Secretary Jack Kemp. President Bush and Secretary Kemp have established an ambitious agenda for HUD to achieve the goals of housing and homeownership opportunity, economic growth and job creation. Secretary Kemp has called this a momentous time in history. I believe, as the Secretary does, that we have a unique opportunity to contribute to the creation of housing and community development policies, utilizing the best available resources of the public and private sectors, which will provide hope and opportunity for those people who want a better life for themselves and their children. As one who has spent most of his professional life analyzing housing and urban policy issues, both at HUD and in the private sector, I find this to be an exciting prospect.

Officially, the Assistant Secretary for Policy Development and Research conducts evaluations of HUD programs; develops and analyzes new policies and initiatives; conducts research on building technology and housing quality; and collects and analyzes data on housing markets. This means essentially that the work of the Office of Policy Development Research (PD&R)

serves the Secretary and the Under Secretary and enhances and supports the work of all other HUD program offices.

PD&R is thus in the unique position within the Department of being involved with virtually all of the Department's programs and initiatives. The primary focus of my office will be the six policy priorities that have been identified by the President and the Secretary of HUD:

First, maintaining the supply and availability of low-income housing, and recapturing the American dream of homeownership by making housing more affordable for first-time homebuyers;

Second, economic development, through free enterprise zones to encourage entrepreneurship and job creation in distressed inner cities and rural areas;

Third, empowering the poor to control their own lives through initiatives such as resident management and ownership of public housing;

Fourth, full enforcement of the new fair housing law;

Fifth, to help make public housing drug free; and

Sixth, a commitment to end homelessness, particularly for families with children.

In addition, the Office of Policy Development and Research is playing an important role in the development of major legislative initiatives which will support the Secretary's reform agenda for the Department. As Assistant Secretary, I expect that I will also play a major role in developing the Department's

position on the key housing preservation and affordable housing questions about which we have mutual concerns.

Mr. Chairman, let me also state that one of the functions of my office will be to ensure that the studies and reports mandated by the Congress are submitted to the Congress in a timely fashion. We believe it is important to the interests of both the Department and the Congress that public policy decisions are made on the basis of the best available information.

Secretary Kemp is fully committed to meeting the challenge of empowering the poor and expanding housing and economic opportunity, and he has an abiding faith in our ability to meet those objectives. I look forward to the role I can play in the development of those programs and policies which will advance the goals of equal housing and economic opportunity for all Americans.

Further, I pledge to the members of this Committee my full cooperation with your efforts as we seek to improve this nation's housing and community development programs.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Weicher (LAST) John (FIRST) Charles (OTHER)

Position to which nominated: Assistant Secretary for PD&R Date of nomination: May 16, 1989

Date of birth: 08 (DAY) 03 (MONTH) 38 (YEAR) Place of birth: Chicago, Illinois

Marital status: Married Full name of spouse: Alice Jean Landt Weicher

Name and ages of children: John Victor Landt Weicher, 11 yrs
Stephany Jean Ruth Weicher, 8 yrs

Education:

Institution	Dates attended	Degrees received	Dates of degrees
South Shore High School	1951-1955	Diploma	1955
Colgate University	1955-1956		
University of Michigan	1956-1959	A.B.	1959
George Washington University	1959-1960	(part-time)	
University of Chicago	1960-1965	Ph.D.	1968

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

Colgate Alumni War Memorial Scholar, 1955-1956

Earhart Foundation Fellowship, 1961-1962

Ford Foundation Fellowship, 1962-1963

Resources for the Future Fellowship, 1963-1964

Relm Foundation Fellowship, 1964-1965

Fellow of the Homer Hoyt Advanced Studies Institute, 1984

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Office held (if any)	Dates
American Economic Association		1965-present
American Real Estate and Urban Economic Association	Member	1975-present
	President	1982
	Vice-president	1981
	Director	1979-1985

Employment record: List below all positions held since college, including the title or description of job, name of employment, location of work, and dates of inclusive employment.

Staff Writer, Human Events, Washington, DC, 1959-1960

Assistant Professor, University of California, Irvine, CA, 1965-1967

Assistant and Associate Professor, Ohio State University, Columbus, Ohio, 1967-1977

Economist, Office of Economic Opportunity, Washington, DC, 1972-1973

Economist and Director, Division of Economic Analysis, Housing & Urban Development, Washington, DC, 1973-1974

Deputy Assistant Secretary for Economic Affairs, Housing & Urban Development, Washington, DC, 1975-1977

Director, Housing & Financial Markets Program, Urban Institute, Washington, DC, 1977-1981

Deputy Staff Director, President's Commission on Housing, Washington, DC, 1981

F.K. Weyerhaeuser Scholar in Public Policy Research, American Enterprise Institute, Washington, DC, 1982-1987

Part-time consultant, U.S. General Accounting Office, 1982-1987

Associate Director for Economic Policy, U.S. Office of Management & Budget, Washington, DC, 1987-1989

Government experience: List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part-time service or positions.

Economist, Office of Economic Opportunity, Washington, DC, 1972-1973

Economist and Director, Division of Economic Analysis, Housing & Urban Development, Washington, DC, 1973-1974
Deputy Assistant Secretary for Economic Affairs, Housing & Urban Development, Washington, DC, 1975-1977
Deputy Staff Director, President's Commission on Housing, Washington, DC, 1981
Part-time consultant, U.S. General Accounting Office, 1982-1987

Associate Director for Economic Policy, Office of Management & Budget, Washington, DC, 1987-1989

Published writings: List the titles, publishers and dates of books, articles, reports or other published materials you have written.

See attached list

Political affiliations and activities: List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

Reagan-Bush Housing Transition Team, 1981

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Published Writings: John C. Weicher

Academic Journal Articles

"Housing as an Asset in the 1980s and 1990s," co-authored with Susan M. Wachter and William B. Shear, Housing Finance Review, Summer 1988.

"The First Twenty Years of AREUEA" (symposium of past presidents), AREUEA Journal, Summer 1988.

"Filtering in Housing Markets: An Empirical Analysis," co-authored with Thomas G. Thibodeau, Journal of Urban Economics, January 1988.

"Mismeasuring Poverty and Progress," CATO Journal, Winter 1987.

"Simple Measures of Housing Quality," Journal of Economic and Social Measurement, October 1986.

"Housing and Housing Finance in an Era of Disinflation," Contemporary Policy Issues, May 1984.

"The Report of the President's Commission on Housing: Policy Proposals for Subsidized Housing," AREUEA Journal, Summer 1983.

"The Individual Housing Account," co-authored with Richard B. Clemmer, AREUEA Journal, Summer 1983.

"Re-Evaluating Housing Policy Alternatives: What Do We Really Know?" (AREUEA Presidential Address), AREUEA Journal, Spring 1983.

"Urban Housing Problems: What is the Question?" CATO Journal, Fall 1982.

"Hedonic Analysis of House Prices: Results for 59 Metropolitan Areas," co-authored with David J. Hartzell, Research in Real Estate, Vol. 2, 1982.

"Product Quality and Value in the New Home Market: Implications for Consumer Protection Regulation," Journal of Law and Economics, December 1981.

"Housing Block Grants in the United States," Urban Law and Policy, November 1981.

"New Home Affordability, Equity, and Housing Market Behavior," AREUEA Journal, Winter 1978.

"A Decent Home: Changes in American Housing Quality," Federal

Home Loan Bank Board Journal, August 1977.

"The Affordability of New Homes," AREUEA Journal, Summer 1977, and "The Affordability of New Homes: Response," AREUEA Journal, Fall 1977.

"The Fiscal Profitability of Urban Renewal under Matching Grants and Revenue-Sharing," Journal of Urban Economics, March 1976.

"Recent Trends in Housing Costs," co-authored with John C. Simonson, Journal of Economics and Business, Winter 1975.

"A Test of Jane Jacobs' Theory of 'Successful' Neighborhoods," Journal of Regional Science, March 1973. Reprinted in Housing, 1973-74: An AMS Anthology, edited by George Sternlieb and David Listokin, AMS Press, 1974.

"Econometric Analysis of State and Local Aggregate Expenditure Functions," co-authored with Richard J. Emerine, Public Finance/ Finances Publiques, Issue No. 1, 1973.

"The Externalities of Neighborhood Parks: An Empirical Investigation," co-authored with Robert H. Zerbst, Land Economics, February 1973.

"Aid, Expenditures, and Local Government Structure," National Tax Journal, December 1972. Reprinted in Municipal Needs, Services, and Financing: Readings on Municipal Expenditures, edited by W. Patrick Beaton, Rutgers University Press, 1974.

"The Effect of Urban Renewal on Municipal Service Expenditures," Journal of Political Economy, January/February 1972.

"The Allocation of Police Protection by Income Class: A Study in Public Income Redistribution," Urban Studies, October 1971. Reprinted in The Economics of Crime and Law Enforcement, edited by Lee R. McPheters and William B. Stronge, Charles C. Thomas, Inc., 1975.

"Determinants of Central City Expenditures: Some Overlooked Factors and Problems," National Tax Journal, December 1970.

"The Effect of Income on Delinquency: Comment," American Economic Review, March 1970.

Contributed Papers and Conference Proceedings

"Housing Quality: Measurement and Progress," in Housing Issues of the 1990s, edited by Sara Rosenberry and Chester Hartman, Praeger, 1989.

"The Future Structure of the Housing Finance System," in Restructuring Banking and Financial Services in America, edited by William S. Haraf, American Enterprise Institute, 1988.

"Private Production: Can the Rising Tide Lift All Boats," in Housing America's Poor, edited by Peter D. Salins, University of North Carolina Press, 1987.

"The Domestic Budget after Gramm-Rudman - and after Reagan," in Contemporary Economic Problems: Deficits, Taxes, and Economic Adjustments, edited by Phillip Cagan, American Enterprise Institute, 1987.

"The Market for Housing Quality," in Empirical Approaches to Consumer Economics, edited by Pauline Ippolito, Federal Trade Commission, 1986.

"The Reagan Domestic Budget Cuts: Proposals, Outcomes and Effects," in Contemporary Economic Problems: The Impact of the Reagan Program, edited by Phillip Cagan, American Enterprise Institute, 1986.

"Accounting for the Deficit," in Contemporary Economic Problems: The Economy in Deficit, edited by Phillip Cagan, American Enterprise Institute, 1985.

"The State and Local Government Sector and the Federal Deficit," also in Contemporary Economic Problems: The Economy in Deficit.

"The Safety Net After Three Years," in Maintaining the Safety Net: Income Redistribution Programs in the Reagan Administration, edited by John C. Weicher, American Enterprise Institute, 1984.

"Halfway to a Housing Allowance?" also in Maintaining the Safety Net: Income Redistribution Programs in the Reagan Administration.

"Disinflation in the Housing Market," in Contemporary Economic Problems: Disinflation, edited by William Fellner, American Enterprise Institute, 1983.

"Housing Lower-Income Families and Individuals," in Meeting Human Needs: Toward a New Public Philosophy, edited by Jack A. Meyer, American Enterprise Institute, 1982.

"The Impact of Local Mortgage Revenue Bonds on Securities Markets and Housing Policy Objectives," co-authored with George E. Peterson and John A. Tuccillo, in Efficiency in the Municipal Bond Market: The Use of Tax Exempt Financing for "Private" Purposes, edited by George G. Kaufman, JAI Press, 1981.

"Some Aspects of the Future of Rental Housing," in Rental Housing: Is There A Crisis?, edited by John C. Weicher, Elizabeth

A. Roistacher, and Kevin E. Villani, Urban Institute Press, 1981.

"Demand and the Need for Housing in the 1980s: Discussion," in Housing Finance in the Eighties: Issues and Options, an FNMA Symposium, Federal National Mortagge Association, 1981.

"Substandard Housing: The Trend and Current Situation," in The Housing Delivery System, symposium of the Center for Real Estate Education and Research, The Ohio State University, 1980.

"Federal Urban Policy and the Lender," in Urban Housing, proceedings of the 4th Annual Conference, Federal Home Loan Bank of San Francisco, 1979.

"Urban Housing Policy," in Current Issues in Urban Economics, edited by Peter Mieszkowski and Mahlon Straszheim, The Johns Hopkins University Press, 1979.

"'A Decent Home': An Assessment of Progress Toward the National Housing Goal and Policies Adopted to Achieve It," in A Decent Home and Environment: Housing Urban America, edited by Donald Phares, Ballinger Books, 1977.

"Research Topics in Mortgage Markets: An Academic Viewpoint -- Discussion," in Research Topics in Mortgage Markets, edited by Robert M. Fisher and John J. McConnell, Credit Research Center, Purdue University, 1976.

"Demographic Factors Affecting Future Housing Trends," in Coping in an Age of Discontinuity, edited by Roberta B. Beavers, Chemical Marketing Research Association, 1976.

"The Effect of Metropolitan Political Fragmentation on Central City Budgets," in Models of Urban Structure, edited by David C. Sweet, Prentice-Hall, 1972. Reprinted in Comparative Urban Structure, edited by Kent P. Schwirian, D.C. Heath and Company, 1974.

Books

Metropolitan Housing Needs in the 1980s, co-authored with Lorene Yap and Mary Streitweiser Jones, Urban Institute Press, 1982.

Housing: Federal Policies and Programs, American Enterprise Institute, 1980.

Urban Renewal: Federal Program for Local Problems, American Enterprise Institute, 1972.

The Port of Milwaukee: An Economic Review, co-authored with Eric

Schenker (principal author) and John Wilson, University of Wisconsin Press, 1967.

Books Edited

Private Innovations in Public Transit, American Enterprise Institute, 1988.

Entitlement Issues in the Domestic Budget: The Long-Term Agenda, American Enterprise Institute, 1985.

Maintaining the Safety Net: Income Redistribution Programs in the Reagan Administration, American Enterprise Institute, 1984.

Rental Housing: Is There A Crisis?, co-edited with Elizabeth A. Roistacher and Kevin E. Villani, Urban Institute Press, 1981.

Governmental Publications and Contract Reports

"Summary of Symposium Proceedings," in The Federal National Mortgage Association in a Changing Economic Environment, U.S. General Accounting Office, 1985.

"Countercyclical Stimulus for Single-Family Housing: Review and Summary," in Symposium on Countercyclical Stimulus for Single-Family Housing, U.S. General Accounting Office, 1982.

"Proposed Revisions to Mobile Home Construction and Safety Standards," report prepared for the Office of Management and Budget, September 1982.

"Local and Model Codes as Alternatives to the FHA Minimum Property Standards," report prepared for the Office of Management and Budget, June 1982.

Interim Report of the President's Commission on Housing, co-author, U.S. Government Printing Office, October 1981.

National Housing Needs and Quality Changes During the 1980s, co-authored with Lorene Yap and Mary S. Jones, Annual Housing Survey Studies No. 10, U.S. Department of Housing and Urban Development, Office of Policy Development and Research, January 1981.

"Transactions in New and Existing Homes," co-authored with David Hartzell, Urban Institute Contract Report 1291-02, September 1980.

"Projections of Housing Demand, Losses, and Quality Changes," co-authored with John L. Goodman, Jr., and Mary S. Jones, Urban Institute Contract Report 1397-01, July 1980.

"The Effects of Energy Conservation Standards on Housing Markets," Urban Institute Contract Report 1344-06, June 1980.

Local Mortgage Revenue Bonds: Economic and Financial Impacts, co-authored with John A. Tuccillo, Urban Institute Paper 25800, May 1979.

"The Rationale for Government Intervention in Housing: Myths and Realities," Housing in the Seventies, Working Papers, Vol. 1, U.S. Department of Housing and Urban Development, 1976.

"Design of an Evaluation of Title VIII Equal Opportunity Enforcement Activities," report prepared for the Office of Program Analysis and Evaluation, U.S. Department of Housing and Urban Development, 1975.

"The Cost of Housing," co-authored with John C. Simonson, Chapter 8 of Housing in the Seventies, Report of the National Housing Policy Review, U.S. Government Printing Office, 1973.

Economic Journalism

"Persistent Slums," Public Opinion, January/February 1988.

"The Politics of the American Dream," Public Opinion, September/October 1986.

"The Stalemate on Subsidized Housing," MGIC Newsletter, July/August 1986.

"The President's 1987 Domestic Budget," AEI Economist, May 1986.

"Reagan in Retrospect: Income Equity - Two Views," opposite Lester C. Thurow, American Politics, May 1986.

"How Poverty is Mismeasured," Wall Street Journal, January 23, 1986.

"Taxing the Family," co-authored with Douglas J. Besharov, Wall Street Journal, July 8, 1985.

"Economic and Political Factors in the Budget," in Newsday, Chicago Tribune, Des Moines Register-Tribune, Journal of Commerce, and Washington Times, under various titles, at various dates in April 1985.

"Leaving the Safety Net in Place," AEI Economist, April 1985.

"Urban Blight: The Democrats' Eroding Metropolitan Base," co-

authored with James A. Barnes, Public Opinion, February/March 1985.

"Disinflation and Housing Markets in the 1980s," Real Estate Issues, Fall/Winter 1984.

"Welfare Reform and the Safety Net," Chicago Tribune, August 6, 1984.

"The 'Safety Net' and the 'Fairness' Issue," AEI Economist, August 1984.

"Is More Inflation in Store for U.S. Housing Market?" Detroit News, June 17, 1984.

"Inflationary Ravages," Transaction/Society (housing symposium), March/April 1984.

Columnist for REIT Report, bi-monthly publication of the National Association of Real Estate Investment Trusts, 1983-1984.

"Inflation and Stamps: Prices in an Era of 'Disinflation'," Scott Stamp Market Update, Autumn 1983.

"The Paradox of Housing Costs," Wall Street Journal, October 26, 1977.

Political contributions: Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify the specific amounts, dates, and names of the recipients.

None of $500.00 or more.

Qualifications: State fully your qualifications to serve in the position to which you have been named.
(attach sheet)

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

I have been employed most recently at OMB, and am severing all connections there.

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

I am on unpaid leave from the American Enterprise Institute, which I have been since November 1987. I have a verbal commitment that I can return to AEI, and I expect to do so when I leave government.

3. Has anybody made you a commitment to a job after you leave government?

See answer to #2.

4. Do you expect to serve the full term for which you have been appointed?

I will be serving at the pleasure of the President and the Secretary, rather than a fixed term.

Qualifications: John C. Weicher

My professional experience, educational background, and publications are listed in detail in response to the relevant specific questions in this Statement. The following summarizes my qualifications, without repeating the previous answers.

I have been a housing policy analyst for many years, with experience in government, academic institutions, and non-profit research institutes. I have served with two national housing policy task forces, in 1973 and 1981. I have written four books, edited four others, and written numerous articles for both academic and popular publications, on housing problems, housing policy, state and local finance, and the Federal budget. I have conducted research for government agencies, and also been a Government Technical Representative on research contracts. My government experience includes three years at HUD, as both a career civil servant and a political appointee in the Office of Policy Development and Research. I have served as chief economist at both HUD and the Office of Management and Budget. I have managed a staff of 40 people previously at HUD. I have consulted with several government agencies and private organizations on housing and related issues, and testified before a number of Congressional committees.

Professional recognition includes service in 1982 as President of the American Real Estate and Urban Economics Association, the major academic orgnization for scholars interested in housing finance, real estate, and urban economics (I also served on the Board of Directors from 1979 through 1985); membership in the Commitcee on Urban Policy of the National Academy of Sciences in 1986-1987, and on the Census Advisory Committee on Population Statistics in 1987; and appointment as a fellow of the Homer Hoyt Advanced Studies Institute, which recognizes scholarly achievement in the disciplines of real estate and urban economics. I was also a member of the Fedral Savings and Loan Advisory Council for three years.

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

As stated above, I am on leave from the American Enterprise Institute.

It is conceivable that AEI might apply for a grant from HUD.

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

None.

3. Describe any business relationship, dealing or financial transaction (other than tax-paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

None.

4. List any lobbying activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

None.

5. Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to the above items.

I will recuse myself on any grant or contract matters concerning the the American Enterprise Institute. This arrangement has been approved by the ethics officers in the Office of Management & Budget (during my service at OMB), the Department of HUD, and the White House General Counsel.

Civil, criminal and investigatory actions:

1. Give the full details of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

None.

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

None.

RESPONSE TO WRITTEN QUESTIONS OF SENATOR D'AMATO FROM
JOHN C. WEICHER

Q. Dr. Weicher, as Assistant Secretary for Policy, Development and Research, you will play a pivotal role in developing a strategy for addressing the preservation problem -- the prepayment of HUD mortgages and the expiring Section 8 contracts. Do you have any thoughts on that problem that you can share with us at this point?

A. The Department of Housing and Urban Development is currently in the process of developing strategies for addressing the prepayment issues. We will be examining a number of reforms with the intention of focussing government assistance to meet the needs and further the goals of the low-income residents of these projects, while at the same time recognizing the legitimate rights of project developers and sponsors. The details of specific strategies will need to be worked out in concert with Congress.

Chairman RIEGLE. I appreciate that, and I especially appreciate your comment and your pledge with respect to reports that are required and needed for us to make legislative modifications and changes. We have a serious interest in a number of studies that were mandated by the Congress in the 1987 Act, as you may know.

In that act, in section 232, HUD was required to report to Congress on the implementation of provisions governing the prepayment of mortgages, and that was to be done by February 5 of this year, and that particular report has not been done or completed. At least we have not seen it. That delay hinders the committees efforts, and I would like to see if we can't get some blasting power in the right spot there and get that work done and out.

Also, in another area, section 136 of the 1987 housing act required HUD to report by September 30 of last year on the housing service program for the elderly and the handicapped. This program, as you may know, has helped thousands of frail, elderly residents to continue to live in section 202 project.

We think the HUD study can shed further light on the number of frail, elderly residents living in subsidized housing and the services that they require in order to provide premature institutionalization, which obviously we would all like to avoid, which is much more expensive and traumatic.

I understand in that case that the study was completed some months ago but apparently is bottled up because of some bureaucratic reasons that are not obvious to us what they might be. But the fact is that we are virtually a year behind in terms of when that was due, and apparently the work has been done.

But, can I ask you specifically on that one to see if you can get that wrapped up and out and to us so that we can see what value it has.

Mr. WEICHER. Certainly, Senator.

That particular report is in its final stages of review within the Department. I don't think that it should take too long to provide that to you.

May I say with respect to the prepayment study that is not, as I understand it, a project being undertaken within the Office of Policy Development and Research, but rather within the Office of Housing at this point, if we are referring to the same study. But I will certainly go back and look into that.

Chairman RIEGLE. Good. That would be helpful.

Mr. WEICHER. I will do what I can to move it forward.

Chairman RIEGLE. Very good.

And let me again say to all of you that I appreciate your willingness to serve. I congratulate you on your appointments. We will work closely with you. And despite the fact that we may have some good spirited discussions and debate from time to time, I want you to understand one thing, and that is, this committee, under my chairmanship, will operate on a bipartisan basis.

And we have done that all the way along with respect to everything that we have dealt with. And I have lived in both parties and been in the majority and the minority, and I think it is very important if the country is going to move ahead that we figure out how to work together. We all work for the same people and we ought to be able to find workable answers to the problems that face us.

So, while we may have disagreements from time to time on emphasis or approach, I want us to have a topnotch professional and collegial relationship, and it is my intention to see that we have such a relationship.

Ms. KONDRATAS. Thank you, Mr. Chairman. We certainly intend to do the same.

Chairman RIEGLE. Thank you, and let me excuse these witnesses at this time. You may have questions for the record, and if so, we will submit them to you and have you get them back to the committee as rapidly as possible.

[Nominees excused.]

Chairman RIEGLE. Let me call Quincy M. Krosby to the table.

Dr. Krosby has been nominated to serve as the Assistant Secretary of Commerce.

I spoke to Secretary Mosbacher this morning and in the course of our conversation we talked about your nomination and he spoke very strongly on your behalf, and his confidence on your ability to come in and handle this assignment.

You, of course, have been nominated by the President to be the Assistant Secretary of Commerce for Export Enforcement. In 1985 this committee amended the Export Administration Act to raise the status of the person in charge of export administration matters in the Commerce Department from an Assistant Secretary to an Under Secretary.

We raised the level of this function, so important to our exporters, to give it a greater claim on the resources within the Commerce Department.

That legislation also raised the level of the official in charge of the enforcement of the export control laws of Deputy Assistant Secretary to an Assistant Secretary.

Dr. Krosby, you are only the second person to be nominated for this important enforcement job at the Commerce Department, and it is the first on whom we have had a hearing. While the Commerce Department has done a much better job in expediting licenses to our exporters in recent years, I believe we must give increased attention to enforcing both our national security and our foreign policy export controls.

We need to make much more vigorous efforts both at home and in cooperation with our allies to insure that nations practicing terrorism do not obtain chemicals and other materials needed to make chemical and biological weapons.

Let me say that I know there are other members of the committee that are supportive of your nomination and they have expressed that to me. I have statements from Senators Garn and D'Amato for the record.

STATEMENT OF SENATOR GARN

Senator GARN. Mr. Chairman, the nominations we are considering today have been pending in the Committee for quite a long period. It is critical that the Committee fulfill its responsibilities to provide the President with key personnel he needs to carry out housing, transportation and export control programs in a timely

fashion. I am hopeful that all five nominees will be quickly approved by the Senate.

I would like to comment briefly on the nomination of Quincy Krosby to be the senior official at the Department of Commerce charged with the enforcement of the Export Administration Act. This is an absolutely critical assignment, because effective controls on the flow of high technology to our adversaries are critical to our national security. And the key to the effectiveness of the control system is vigilant enforcement of the law.

Ms. Krosby has an impressive educational background and has worked on international economic and security issues for a number of years. However, I am concerned that her resume includes little direct experience with the export control system and no law enforcement. Last year, we substantially strengthened the enforcement tools available under the Export Administration Act and we must have someone on the job who knows how to bring the full force of the law down on those who would sell out our security.

I encourage Ms. Krosby to work closely with the Customs Service and intelligence agencies in pursuit of violators and to pursue her new role vigorously. As I indicated when Dennis Kloske came before the Committee as candidate for Under Secretary for Export Administration, the Banking Committee will maintain careful oversight to ensure that the law is carried out.

STATEMENT OF SENATOR D'AMATO

Senator D'AMATO. Mr. Chairman, I would like to welcome Ms. Krosby to this hearing of the Banking Committee. I commend to her the importance of the task which he will undertake upon confirmation.

As the Commerce Department's Assistant Secretary for Export Enforcement, Ms. Krosby will deal with some of the most important and perplexing matters in the area of trade. She will be responsible for enforcing the delicate balance between promotion exports and safeguards our all-important technology. The vital interests of every citizen are entrusted to the Assistant Secretary for Export Enforcement because our standard of living depends on the strength of the U.S. economy and, at the same time, the strength of America's defense also depends on our technological advantage. Therefore, Ms. Krosby's role will be important and difficult.

I note that Ms. Krosby comes with a fine background in the academic world, including a 6-year affiliation with Union College in Schenectady, and also broad experience in international arena while at the State Department during the previous Administration. I trust that this experience will assist the new assistant secretary in bringing a valuable perspective to the very real and practical problems of trade, defense and export enforcement.

So, Mr. Kloske has an important role to play. I hope that he will be confirmed quickly so that he can be about this vital work.

Let me now administer the oath to you, if I may. If I can ask you to stand and raise your right hand.

(Nominee sworn.)

Chairman RIEGLE. Let me let you introduce anybody accompanying you and you can make any formal statement you want and we can make it a part of the record.

STATEMENT OF QUINCY M. KROSBY, ASSISTANT SECRETARY-DESIGNATE OF COMMERCE FOR EXPORT ENFORCEMENT

Ms. KROSBY. It is an honor and a privilege to appear before you, Mr. Chairman, and your committee. I am honored the President has nominated me to be the Assistant Secretary for Export Enforcement. I am particularly grateful to Secretary Mosbacher for having recommended my nomination to the President.

I recognize that we should be brief as there is not much of an audience left. So, for the sake of brevity, I would like to highlight just one aspect from the written statement which I have submitted to you.

As Secretary Mosbacher has said on many occasions, our approach to technology transfer is a realistic one. He has emphasized that our goal is to ensure more effective controls over those specific technologies that must be restricted for the national security. I am equally committed to this concept and the focus on building effective "higher fences" around those products which are truly strategic.

I know and understand the history of the BXA and its relationship with the committee. I intend to keep the dialogue going, taking suggestions from the committee so that we can grow and become a truly viable enforcement agency within the Commerce Department and in the Intelligence community.

[The complete statement of Quincy M. Krosby follows:]

STATEMENT
BY QUINCY M. KROSBY
ASSISTANT SECRETARY-DESIGNATE OF COMMERCE
FOR EXPORT ENFORCEMENT
BEFORE THE
COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS
UNITED STATES SENATE
FRIDAY, SEPTEMBER 8, 1989

Good Afternoon. It is an honor and a privilege, Mr. Chairman, to appear before you today as President Bush's nominee for Assistant Secretary of Commerce for Export Enforcement. I am particularly grateful to Secretary Mosbacher for having recommended me to the President for this position, which gives me the opportunity to bring my government experience to the challenging areas of national security, economic security and export enforcement.

I have been nominated to run a program of professional and well-trained employees who are dedicated to enforcing a single law -- the Export Administration Act. Rather than dividing the energies of the agency among a variety of different law enforcement issues, the Export Enforcement program specializes solely in the intricate and technical realm of export controls. The Special Agents assigned to this task are better able than any other law enforcement officers in the U.S. Government to be this country's front line of defense against the illegal sale of our high technology, missile technology and chemical and biological agents. These Special Agents -- with the support of intelligence and policy analysts -- have a well developed track record of identifying and averting potential violations of the EAA, and of punishing those violations which have occurred.

The prevention of diversions of U.S.-origin goods and technology for unauthorized uses or to proscribed destinations has been the highest priority of the Export Enforcement program at Commerce. This is based on an early recognition that once an illegal export has occurred, we can probably never recover the item that has fallen into the hands of an undesirable end-user or undo the damage caused to our national security. Moreover, we can never regain that strategic and technological edge intrinsic in such a loss.

Despite the effectiveness of the U.S. export enforcement response, these activities would be in vain if we could not count on our allies -- particularly our partners in COCOM -- to enforce their export control laws as thoroughly as we do. The cooperation we have received in the enforcement of export controls has improved and is apparently improving still. Now, concerns about export controls have begun to turn to those non-COCOM countries that have become producers or major traders in sensitive high technology. Ensuring the effectiveness of COCOM's mutual export control system requires the cooperation of these countries as well, and their implementation of some form of effective controls.

National security export controls represent an important tool in the maintenance of the strategic balance of power between East and West. The West continues to maintain a substantial lead in most of the strategic dual-use technologies needed to develop and build a state-of-the-art military infrastructure. Yet, as Secretary Mosbacher has said on several occasions, "our approach to technology transfer is a realistic one. We seek to ensure more effective controls over the technologies that must be restricted for national security and to eliminate from control those technologies that should no longer be considered as vital to national security." The Bush Administration is strongly committed to this concept -- "higher fences around fewer goods." If confirmed for this position, it is my objective to lead the Export Enforcement program towards achieving this goal.

Mr. Chairman, we recognize the Committee's interest in the important programs of the Bureau of Export Administration, and I intend to work closely with you during the months ahead.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Krosby (LAST) Quincy (FIRST) M. (OTHER)

Position to which nominated: Assistant Secretary - Export Enforcement Date of nomination: 31 May, 1989

Date of birth: 3 (DAY) 8 (MONTH) 48 (YEAR) Place of birth: New York

Marital status: Married Full name of spouse: Hugh O'Neill

Name and ages of children: Erik Leganger Krosby (16) Meade Biering Krosby (12)
Garrett Lee Krosby (16) Paige Gardiner Krosby (10)
A. Reed Krosby (14)

Education:

Institution	Dates attended	Degrees received	Dates of degrees
Sarah Lawrence College	1964-1965		
Columbia University	1965-1966		
State University of New York	1966-1967		
University of Minnesota	1969-1972	B.A.	1971
		M.A.	1972
The London School of Economics and Political Science			
	1973-1979	Ph.D.	1979

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

Teaching Associate - University of Minnesota (1972)

Leverhulme Scholar - London School of Economics (1972, 1973)

Crown Princess Märtha Scholar - American - Scandinavian Foundation (1974)

Merit Award - U.S. Department of State (1985)

Superior Honor Award - U.S. Department of State (1988)

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Office held (if any)	Dates
American Foreign Service Association		1983---
The Junior League		1966 - 1988
Republicans Abroad		intermittently throughout the 1970's - 1980's
Girl Scouts of America	Group Leader	1980 - 1982

Employment record: List below all positions held since college, including the title or description of job, name of employment, location of work, and dates of inclusive employment.

Teacher, Special Education - Albany Association for Retarded Children 1968 - 1969

Teaching Associate - Department of International History, University of Minnesota, 1971 - 1972

Research Associate - NATO Military Assessment Group Oslo, Norway, 1972

Adjunct Lecturer - Oslo University, 1974

Adjunct Assistant Professor - Union College, Schenectady, New York intermittently 1977 - 1983

U.S. Department of State 1983 - 1989

--Desk Officer, Office of East European Affairs, 1983

--Economic/Commercial Officer, U.S. Embassy, Sofia, Bulgaria, 1985 - 198

--Special Assistant, Counselor of the Department, 1987

--Special Assistant, Under Secretary for Science, Technology and Security Assistance, 1987 - 1988

--Energy Attache, U.S. Embassy, London, 1988 - 1989

Government experience: List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part-time service or positions.

U.S. Department of State - Foreign Service Officer

(1983 - 1989)

Published writings: List the titles, publishers and dates of books, articles, reports or other published materials you have written.

None

Political affiliations and activities: List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

Republican Party - New York

--George Bush for President (primary, 1980)

--Reagan for President (1980)

--N.Y. gubernatiorial race (Lehrman)

Political contributions: Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify the specific amounts, dates, and names of the recipients.

1988 - George Bush for President $1,000

Qualifications: State fully your qualifications to serve in the position to which you have been named. (attach sheet)

See Attachment A

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

Yes

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

No

3. Has anybody made you a commitment to a job after you leave government?

No

4. Do you expect to serve the full term for which you have been appointed?

Yes

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

None

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

None

3. Describe any business relationship, dealing or financial transaction (other than tax-paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

None

4. List any lobbying activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

None

5. Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to the above items.

I will consult with the General Counsel of the Department of Commerce and, if appropriate, divest myself of conflicting interests, recuse myself, or obtain a waiver of conflict of interest restrictions under 15 U.S.C. §208(b) if the interest is not substantial

Civil, criminal and investigatory actions:

1. Give the full details of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

None

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

None

Questions from Senator Garn for Quincy Krosby on September 8, 1989

Q.1. The Export Administration Act provides for a division of labor in enforcing the law between Commerce and the Customs Service and a number of disputes have arisen regarding Commerce investigations overseas, an area effectively reserved to Customs under the law. One approach to resolving interagency enforcement conflicts that has had considerable support in the past is to grant sole responsibility for EAA enforcement to Customs. Can you identify areas in which enforcement of the law would be damaged by such a consolidation of authority?

A.1. A difficult but important task which I will face upon my confirmation will be to resolve the issue of overseas investigative activities with the Customs Service. While the EAA recognizes the important role of Commerce enforcement overseas, there has been concern over the issue of overseas investigative activity. I am confident that the new Customs Commissioner and I can accommodate the important interests of both sides and put this issue to rest.

Enforcement is the heart of export control and it is international. Commerce needs to be involved in overseas activities and this can be done without impinging upon the legitimate concerns of the Customs Service.

There are many advantages to having an enforcement function at Commerce. The Office of Export Enforcement is greatly enhanced by its close relationship with export control licensing and policy. Further, enforcement benefits the licensing function through the information it adds to the process. Much would be lost by giving up on the work which has been done at Commerce to create a single-mission, highly trained, professional export control office which understands the law and regulations which it enforces.

Q.2. A concern often raised by Commerce is that the full panoply of penalties available under the EAA are not brought to bear on violators because of the interagency division of labor. For example, the Secretary of Commerce has sole authority to deny export privileges and impose civil penalties which can serve as an important deterrent even if a criminal case cannot be successfully brought. Commerce argues that Customs concentrates only on criminal prosecutions. Do you believe this is a problem? What steps have you taken, or should be taken, to address this problem?

A.2. It is important that we exploit both the criminal and the administrative sanctions which are available under the Act. In fact, administrative sanctions are often more effective than criminal--especially against overseas violators.

I intend to pursue discussions with the Customs Service aimed at focusing the training of its agents on the importance of administrative sanctions and developing incentives for its agents to refer such cases to Commerce. I am optimistic that I can work with the new Customs leadership on this issue. In any event, I will do all in my power to ensure that this effective enforcement tool is used to its full extent.

Q.3. A critical component of successful EAA enforcement is access to good intelligence information. Is sufficient attention being focused by the intelligence agencies on technology diversion or technology acquisition by the Soviet Bloc? In general, how would you characterize the working relationship between Commerce and the intelligence community?

A.3. Overall, the intelligence provided by the Intelligence Community to the Export Enforcement program at the Commerce Department is timely and of high quality. In large part, the usefulness of the intelligence provided by the Intelligence Community has been enhanced by Export Enforcement's recent reorganization of its intelligence-using capabilities. The Office of Export Enforcement has created a separate Intelligence Division which is wholly dedicated to analyzing and using information it obtains from all sources, including the Intelligence Community. Through close interaction with the Intelligence Community, particularly Technology Transfer Intelligence Committee (TTIC) and its associated working groups, that division is also able to direct the resources of the intelligence collection and analysis organizations towards the specific needs of Export Enforcement. As a result, the Intelligence Community is meeting the needs of this agency by dedicating sufficient resources to reporting on technology diversion and technology acquisition by the Soviet Bloc.

Export Enforcement views the working relationship with the Intelligence Community as close and effective. In turn, I believe Commerce's Export Enforcement program has a good record with the Intelligence Community in: recognizing the importance of the information being supplied; treating that information with appropriate sensitivity; and, using that information promptly in our enforcement activities.

Chairman RIEGLE. We will before long. The Secretary, of course, is leaving for a foreign assignment, but when he comes back he will be appearing before this committee to talk about the United States competitive position and where we are going and what the trend lines look like. And I suspect, and expect, that his testimony will put a much tighter focus on where we are in some of the problems that we see out there.

I think how we adjust and deal with a global economy is at the heart of what the future is going to look like for us as a country and a citizen. So, this is a very important assignment that you are undertaking and we certainly view it as such.

Now, you have got a very impressive background, including a Ph.D. from the London School of Economics and several years experience as a foreign service officer at the State Department. On the other hand, you're not a lawyer, as I am not, and some of us view that as a virtue rather than as any kind of a handicap.

But I am wondering, in this position, how you intend to deal with the need for the kind of technical-legal assistance that this job in many instances requires?

Ms. KROSBY. Let me just say that I am aware of the committee's interest in the law enforcement and technical aspects of the job. We are very fortunate in our organization though. Paul Freedenberg, who formed the organization, brought in top people to handle the legal aspects of law enforcement, as well as the law enforcement section itself, which is really the heart of our program.

We have a top former FBI official who heads the export enforcement office, which is in charge of our agents which, again, is a central part of the program. I can work with them.

Let me say, too, that because of what you just said about the global importance of this job, of having to work with our friends and allies, we have to go overseas and try to convince people that enforcement is as important to their national security as to our national security.

I think that perhaps not having a law enforcement official in that job is probably—how should I say it?—more diplomatic. I, of course, work very closely with our law enforcement officials, but I don't think that it is a *sine quo non* to doing a top job.

It might be good to have a law enforcement official as an assistant secretary at some point, but I don't think it is absolutely essential.

Chairman RIEGLE. One of the principle weaknesses that we have seen in our export enforcement efforts in the past was the problem of the Department of Commerce and the Customs Service having some difficulty in cooperating with each other.

And you nod knowingly.

Is that still a problem, or was that problem lessened by the changes Congress made to section 12 of the Export Administration Act of 1985?

Ms. KROSBY. The relationship has indeed been strained. Needless to say, nobody, not one agency—be it Customs or FBI—wants to have yet another agency come in and poach on its territory. That is natural.

The relationship with Customs I think has been the most difficult, simply because of the overseas factor. What we do has a bear-

ing overseas. Customs doesn't want us involved in overseas activities.

We have worked with Customs recently. Secretary Mosbacher met with former Commissioner Von Raab. Von Raab was very receptiv to working out the new relationship. We are meeting with our Customs counterparts, and in fact, we are working on a Memorandum of Understanding that we hope will be completed in the near future.

Chairman RIEGLE. One of the criticisms that has been heard of our export control program is that we may be trying to control too many items and are not as effective in controlling the items that are really the critical ones, and you have got limited resources available to you in the enforcement effort.

So, I wonder if you have a view as to what the enforcement priorities are going to be at this new job, if you are confirmed.

Ms. KROSBY. I think we will pursue what is natural during this period of change considering Europe 1992 and changes in the list that we use as our basis for what would be denied or not denied. Our agency is looking at preventive measures so that diversions don't take place.

Granted, this is harder for our agents because an agent is very often judged by how many convictions or how many arrests are made.

But we would like to see more preventive measures. "Deterrence" is the key word, because once an item goes to a proscribed nation, we have lost it. But more importantly, we haven't just lost the physical item. We have lost the technology which is intrinsic to that item and, in fact, we have lost the cutting edge.

So, what we are going to try to do is double our efforts in the deterrence area.

Chairman RIEGLE. Can you tell me how many people are involved in the export enforcement activities that will be under your jurisdiction?

Ms. KROSBY. Yes. We have 85 agents who work in eight different offices, as well as two offices overseas. And we hope to increase our overseas presence. We also have two other offices within the Export Enforcement agency: the Office of Anti-Boycott Compliance and the Office of Export Intelligence—which is a licensing check office.

Chairman RIEGLE. Do you know how many enforcement actions the Commerce Department has initiated, say, over the last 2 years?

Ms. KROSBY. Forgive me because this is very technical and very legal, so I'm not sure that I can speak to both years. But we have collected over $1 million in fines. That's one thing. In fiscal year 1988, we have had nine convictions.

Chairman RIEGLE. Nine convictions?

Ms. KROSBY. Nine convictions.

But one thing I'm learning is that because deterrence is most important, again, we cannot judge the success of the program solely by the convictions. The fact of the matter is the success of the program must be judged by the export diversions that don't take place, which is very hard to quantify.

Chairman RIEGLE. Well, let me just say, in concluding—my colleagues may have some questions, too, that they will want answered for the record.

I want to say to you, as I have said to the others, that I particularly appreciate your willingness to come in and take on an important duty in the public sector and for the people. Now, this is a big Government, but we don't just—we don't work for an administration or a State, a Cabinet member or administrator. We work for the people of the country. And it is difficult work and demanding work.

And for people of your background and qualifications to be willing to come into the public sector and it on is something that is the essence of our democratic system.

So I want to not only congratulate you on your nomination by the President but also to thank you for your willingness to come in and take on this work, and we will look forward to working with you.

Ms. KROSBY. Thank you very much.

Chairman RIEGLE. We are pleased to have you.

With that, we have concluded our examination of all of the nominations to come before the committee today.

[Whereupon, at 3:15 p.m., the hearing was adjourned.]